

2014/2015



Moses Kotane
Local Municipality
**ANNUAL
REPORT**

Chapter 1

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COMPONENT A: MAYOR'S FOREWORD

1.1. MAYOR'S FOREWORD

Clr Fetsang Mokati-Thebe

I am presenting this annual report before you all beaming with pride and honour that we have diligently served the people of Moses Kotane Local Municipality for the past four year. This is indeed the last year of our council term of administration which started in 2011.

It is therefore special to my heart as the first ever female Mayor of this municipality since its existence 15 years ago.

2014/ 2015 is thus far an important year for the people of the Moses Kotane Local Municipality, a political leadership in particular as we are now nearing the end of our journey as a collective.

It is indeed an honour for me to be presenting the fifth and the last annual performance report of our council term of administration. We are indeed proud as the political leadership of the impact we made in service provision looking at the projects implemented to date.

a. Vision:

We began our transformation journey by developing our strategic direction with the municipal vision: A caring and responsive municipality that is best to live in, work for and do business with". It translates to our overall commitment of ensuring excellent provision of quality services to all residents of Moses Kotane Local Municipality. In that employees, Councillors, communities, stakeholders and clients of the municipality must feel and live the caring and responsive nature of our management and leadership style and our services. This does, to a larger extent, affirms our mission for businesses and communities to feel and live realisation of our vision.

b. Key Policy Developments:

The 2014/2015 annual report is a reflection of our performance inclusive of our policy directions as the Council. We started the 2014/2015 financial year with a renewed sense of commitment to travel a new journey of reclaiming our position as the front runners in pursuit of achieving key performance areas of local government, namely:

- Good governance and public participation
- Basic service delivery and infrastructure development
- financial viability & management
- provision of basic service delivery
- Municipal Transformation and institutional development
- Spatial development framework

This financial year we were unable to maintain the unqualified audit opinion obtained in the prior

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financial years. In the coming financial year we must return to the drawing board to assess and rectify where we went wrong, this requires a thorough introspection from the municipality in order to improve the desired audit opinion.

The Integrated Development Plan is inclusive of both the National and Provincial strategies which are key for proper alignment including the Back to Basics approach.

c. Key Service Delivery Improvements:

There has been notable successes and milestones in service provision wherein service delivery projects that had challenges were unlocked and fully implemented. We are obviously humbled by the implementation of service delivery and budget implementation plan in line with the IDP.

d. Public Participation:

Public participation is one of the key cornerstones of democracy. We have proudly complimented our stakeholder engagement initiatives through EXCO outreach and Roving council as some of the platforms to take local government to the people. It is indeed overwhelming to see our communities actively participating in the affairs of Council. Sod turning and project handovers have also provided platforms for us to fully engage traditional authorities and communities on service delivery projects in their villages for them to take full ownership and monitoring.

Our ongoing engagement with Dikgosi and Bahumagadi are milestones that cannot be ignored. We fully recognise traditional authorities and believe they have a specific role in development and moral regeneration amongst other things. Hence we regularly interacted with them to travel together in this journey of bringing services to communities.

This engagements have to some extent, complemented the monthly community meetings convened by councillors and IDP public consultations. I am happy with the improved interest and participation of our communities in the meetings as they give them power to raise opinions and direct service provision. Feedback to communities stimulates accountability by the leadership of issues of mutual interest. 2016 will be the year for local government elections, play your part

e. Future Actions:

In our contribution towards sound governance system include consistent and efficient council committees and oversight role by councillors. Visibility of Councillors in all wards is imminent as we strive to enhance our oversight role as politicians. Emphasis on monitoring of service delivery projects is one of the key issues in our minds.

We also strive to continue with fully implementation of infrastructure development projects that include water and sanitation projects, roads and storm water, local economic development, waste management and construction of community halls to ensure that Moses Kotane Local Municipality is truly the best municipality to live in.

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Initiatives committed whereby service delivery will be improved over the next few years.

f. Agreements / Partnerships:

Council has adopted Memorandum of Understanding with all Tribal Authorities which is due to be implemented. It is a system of engagement that will be formalised in order to have structured engagements of mutual interests.

g. Conclusion:

Let me sincerely thanks the team of Officials and Councillors for having delivered on their commitment to ensure that Re direla setšhaba slogan becomes a reality. Let us continue to preserve the legacy of Malome Moses Mauane Kotane whose remains were repatriated from Russia and reburied in Pella village. It is indeed an honour for me to drive the legacy. My sincere gratitude to all Dikgosi, community Development Workers, Ward Committees and Key partners in our jurisdiction for always giving direction and participating in our programmes. We are together in moving Moses Kotane Local Municipality forward.... Ke a leboga

(Signed by :)



Mayor: Clr Fetsang Mokati-Thebe

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COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW

Presentation of the Draft Annual Report for 2014-2015 financial marks continuation of the road travelled within a space of a 12 month period of a municipal financial year. It translates our Vision and Mission into implementation plans that are implemented for excellent service provision.

Having had appointed Senior Managers reporting to the Municipal Manager in the previous financial year, Department of Infrastructure and Technical Services operated nine months without an HOD after resignation of the incumbent.

Believing that good governance principles would ensure credible administration, we set our sight on ensuring basic management functions, namely Planning, Organizing, Staffing, Directing and Controlling because we confidently believe this would smoothly enhance implementation of our service delivery implementation plan aligned to the Integrated Development Plan (IDP).

The Service Delivery and Budget Implementation Plan 2014/2015 was developed based on the reviewed 2014-2015 IDP.

We value the importance of the IDP process as a continuous planning, management and developmental strategic document of a municipality. Municipal Systems Act, No 32 of 2000 states that each municipality must develop a plan for the development of its area of jurisdiction. The law mandates that the plan should be holistic and integrated in its approach and content. The plan should be long-term, covering five years and has to be reviewed annually where necessary by comments and inputs from broader stakeholders. 2014/ 2015 financial year is the fourth year of this term of administration which therefore calls for transition of the packaging of service delivery achievements in the next financial year which would be the last one shortly before 2016 local government elections.

In order to coordinate and align strategies for the Municipality, Communities were consulted and indicated 14 priorities which were aligned as below:

- Water provision
- Sanitation
- Roads and storm water
- Electricity

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- Town planning
- Housing
- Disaster management
- Traffic management
- Transport management
- Waste management
- Parks and cemeteries
- Libraries
- Corporate services
- Performance management system
- Integrated Development Planning
- Budget and Treasury
- Good governance and public participation
- Communication
- Internal Audit
- Local Economic Development

Following municipality's participation in the development of Special Presidential Package for mining towns in platinum belt to direct the interventions based community needs and current analysis. The process is on track following council's approval of the report on the study report of formalisation of informal settlements developed by the Housing Development Agency.

We have also partnered with the Development Bank of Southern Africa and Anglo American South Africa to implement the Capacity Building Programme which has four focus areas:

- Development of roads master plan
- Development of bulk water master plan
- Communication and Behavior change
- Revenue enhancement

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Below are some of the highlights of this financial year:

- Implementation of the approved Information and Technology Strategy which included computer training of councillors
- Improved Municipal Infrastructure Grant spending
- Efficiently using the Bojanala Shared Audit committee
- Ability to track progress on implementation of Council resolutions
- Audit on Information and Communication Technology and Development of comprehensive ICT Strategy
- Draft road master plan
- Draft bulk water master plan
- Development of audit recovery plan as a consequence management tool to reduce matters of emphasis on the Auditor general's report
- Improved supply chain management system
- Improved Financial management system
- Improved stakeholder engagement
- Basic service provision
- Development of integrated corporate calendar
- Good governance and public participation
- Recognition of back to basics

In 2014/2015 the Municipality received a qualified opinion. This means a redress since in outer years 2012/13 and 2013/14 the municipality received unqualified consecutively. This requires a thorough introspection from the municipality in order to improve the desired audit opinion i.e clean audit

An audit action plan to address audit findings was developed and significant progress was registered in resolving them.

In moving forward, our focus areas are:

- Full implementation and monitoring of procurement plans to improve quality of the lives of communities we serve.
- Compliance to all applicable legislations
- Timeous submission of reports and conformity to dates in the adopted corporate calendar
- Integrated stakeholder engagement approach

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- Rebranding and repositioning the municipality as one the world class destination of choice.
- To finalise Water Demand Management and Water Master Plans
- To ensure investment in infrastructure by executing capital projects so as to address backlog as far as Water Supply at RDP Standards is concerned
- To operate and maintain existing water supply infrastructure so as to minimize interruptions of services, and water loss
- To finalise road master plan to address backlog with regard to provision of roads and storm water within villages of the Municipality
- Community Lighting Infrastructure
- To ensure proper coordination of land use development and management
- To improve waste management system in terms of waste collection, dumping and management
- To ensure effective and efficient financial systems and procedures
- To revise revenue enhance strategy

Compilation of this annual report is a collective effort by officials of MKLM. It was indeed a privilege to lead a committed team. I would like to express my sincere gratitude to the management and employees for their contribution, efforts and patience during the past year. And more importantly, the political principals under the leadership of TROIKA: Mayor Fetsang Mokati-Thebe, Speaker Ralesole Diale and Single Whip Maria Matshaba.

Signed by : 

Acting Municipal Manager

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1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

Moses Kotane is classified as a Category B4 Local Municipality which is mainly rural with communal tenure. The municipality has two small towns in its jurisdiction. It is one of the five local municipalities constituting the Bojanala Platinum District Municipality classified as Category C1.

Moses Kotane Local Municipality is bordered by:

- Thabazimbi Local Municipality in the North, which is situated in Waterberg District Municipality of the Limpopo province,
- Madibeng Local Municipality in the east (Bojanala Platinum District Municipality, NW)
- Rustenburg Local Municipality (Bojanala Platinum District Municipality, NW) and
- Kgetlengrivier Local Municipality in the south (Bojanala Platinum District Municipality, NW)
- Ramotshere Moiloa Local Municipality in the west (Ngaka Modiri Molema District Municipality, NW).

The Municipality covers an area of approximately 5220km² and is mostly rural in nature, comprising of 107 villages and 2 two formal towns of Mogwase and Madikwe. The N4 Corridor which is the east-west bound road connecting Rustenburg and Pretoria runs to the south of Moses Kotane Local Municipality. The R510 north-south bound road connect the Municipality to the north.

The Moses Kotane Local Municipality population was reported at 242 553 by 2011 STATSSA Census compared to 237 175 in Census 2001. The Municipality has a predominantly African population with fewer Indian, Coloured and White groups who mostly reside in the Sun City Resort residential complex and Mogwase Unit 2. It should be noted that the recognized legal statistics to be used in developing IDP's is from Census 2011.

Geographic information of households by 2011 was reported by STATSSA Census at 75 193 compared to 61 759 by Census 2001 with the same total number of demarcated wards. The Municipality is comprised of 31 Wards and is led by Council, the Speaker, Mayor and the Executive Committee. The Mayor is the Head of Executive Committee (EXCO) which comprises of 10 Councillors who are head of various departments and serve in portfolios. Proportional Representatives and Ward Councillors amount to 62.

Municipal Vision

"A caring and responsive municipality that is best to live in, work for, and do business with"

Municipal Mission

- Providing responsive, transparent and accountable leadership
- Creating an environment for business growth and job creation
- Providing sustainable services

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Population '000						
Age	2013/14 (Source: STATSSA)			2014/15 (Source: STATSSA)		
	Male	Female	Total	Male	Female	Total
Age: 0 - 4	11590	10559	22149	14279	14128	28407
Age: 5 - 14	22715	23391	46106	21419	20973	42392
Age: 15-34	39820	39559	79379	44360	39752	84112
Age: 35-64	29515	33579	63094	33134	35732	68866
Age: 65+	6249	10445	16694	7330	11456	18786

Natural Resources	
Major Natural Resource	Relevance to Community
Platinum	Job creation and economic development
Chrome	Job creation and economic development
Cement	Job creation and economic development
Game	Tourism

The Census 2011 reported a population growth of 0.2%. The current sources of data are not accurate in terms of planning for projections, noting the current growth in villages. The community do not come forward to register as indigents.

1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

The following are the priorities that the Municipality had set out to provide in the 2014/2015 financial year:

- Water and sanitation
- Roads & storm water
- Electricity
- Economic Development
- Land and household

Most of the projects were dedicated to provision of water, considering the acute shortages in our villages.

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Number of households in the Municipality	75 193
Number of billed households in the Municipality	21 300
Number of registered indigent households (Municipal Data)	10 580
Number of indigent households with access to free basic water	10 580
Number of indigent households with access to free basic electricity	10 580

CHALLENGES

Indigent consumers who do not collect their Free Basic Electricity
Consumers who are possibly indigent not coming forward to disclose their status
Illegal housing occupation
Delays in land tenure upgrade programmes
Mushrooming of informal settlement
Housing accreditation

COMMENT ON ACCESS TO BASIC SERVICES:

Waste has been collected in all areas in the Municipality – especially in the “towns”. Challenges have however been experienced at the villages where the waste removal trucks have not been able to access the households due to narrow roads.

The provision of sanitation has been low in relation to the number of households in the municipality because the RDP houses built are provided with sanitation services.

Water connections to residential dwellings have been challenged by the dire shortage of water in the Municipality. This is compounded by the aged water infrastructure that the municipality together with the water provision partners i.e. Magalies Water board and Department of Water Affairs and Sanitation will be working on improving.

1.4. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

The Moses Kotane Local Municipality is mostly dependent on grant income followed by rates and services income. The municipality's sustainability depends on the effective management of its resources, community effective contribution and participation in the budgeting process as well as by the payments of rates for services.

Illegal water connection and non-payments of rates and for services is a concern for the Municipality. It is a critical problem. The management's main focus is to ensure that all reasonable steps are taken to enhance debt collection. Better planning and control over expenditure and higher effectiveness of staff will also deliver results in the future.

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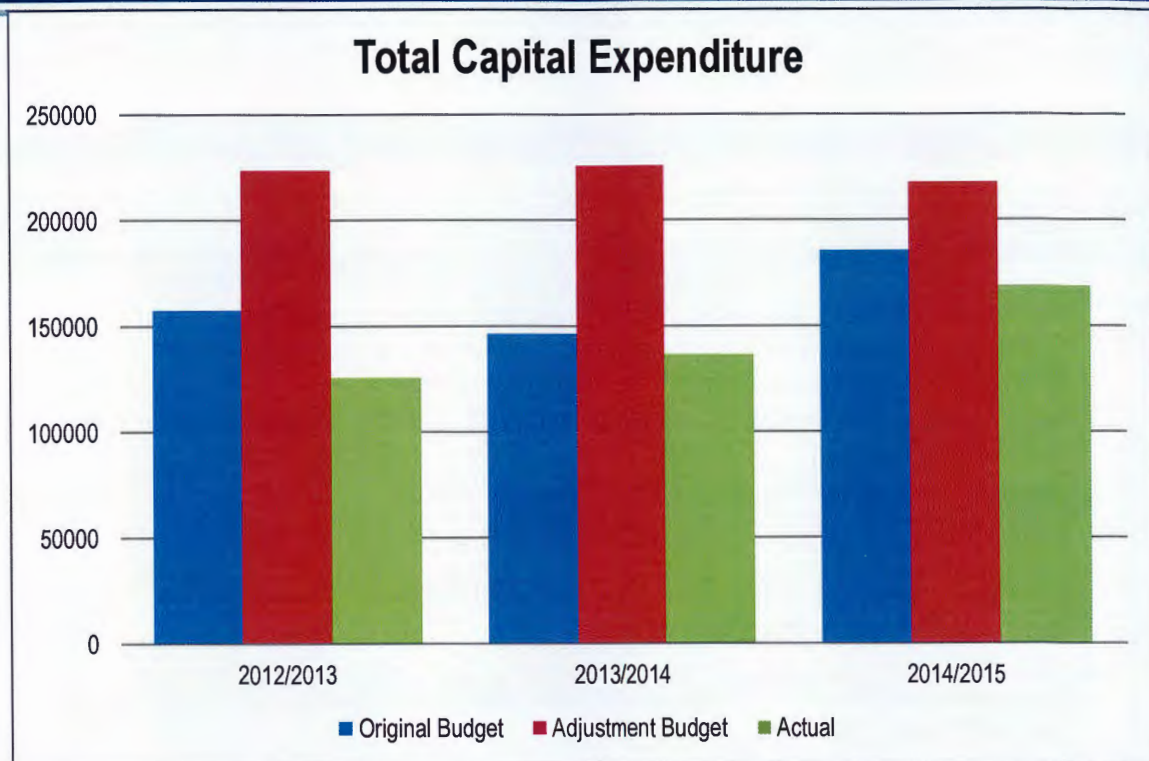
Financial Overview: Year 2014/15			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	291 261	291 261	431 619
Taxes, Levies and tariffs	179 380	193 330	193 377
Other	31 664	37 357	35 614
Sub Total	502 305	521 948	660 610
Less: Expenditure	581 546	601 502	581 334
Net Total*	-79 241	-79 554	79 276

Operating Ratios	
Detail	%
Employee Cost	26%
Repairs & Maintenance	8%
Finance Charges & Impairment	12%

The Municipality has over the past years been maintaining a percentage ratio between 26% and 30% of employee costs. The target of an average of 10% for repairs and maintenance has not been achieved as maintenance plans had not been developed. These plans will be developed for the 2015/2016 financial year.

Total Capital Expenditure: 2012/2013 to 2014/2015			
			R'000
Detail	2012/2013	2013/2014	2014/2015
Original Budget	157 520	146 441	185 578
Adjustment Budget	223 473	225 797	217 807
Actual	125 775	136 799	168 864

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1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

The high vacancy rate is attributable to the increased number of posts effective since 2010. The large number of new posts created a backlog in the Human Resources function. Over time this matter has not been successfully resolved due to lack of job evaluation processes especially at lower levels. The staff shortage impacts on service delivery and performance.

1.6. AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT: 2014/15 (CURRENT YEAR)

The Auditor-General's responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the General Notice issued in terms thereof and International Standards on Auditing.

In 2014/2015 the Municipality received a qualified opinion. This means a redress since in outer years 2012/13 and 2013/14 the municipality received unqualified consecutively. This requires a thorough introspection from the municipality in order to improve the desired audit opinion ie clean audit
An audit action plan to address audit findings was developed and significant progress was registered in resolving them.

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Auditor General's report for the financial year under review is contained in Chapter 6 of this report.

1.7. STATUTORY ANNUAL REPORT PROCESS

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft 2014/15 Annual Report to Internal Audit and Auditor-General	
5	Audit/Performance committee considers draft Annual Report of municipality	August
6	Mayor tables the unaudited Annual Report	
7	Municipality submits draft Annual Report including annual financial statements and performance report to Auditor General	
8	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
9	Auditor General audits Annual Report including Annual Financial Statements and Performance data	September - December
10	Municipalities receive and start to address the Auditor General's comments	January-March
11	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report	
12	Audited Annual Report is made public and representation is invited	
13	Oversight Committee assesses Annual Report	
14	Council adopts Oversight report	March
15	Oversight report is made public	
16	Oversight report is submitted to relevant provincial councils	
17	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	April

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COMMENT ON THE ANNUAL REPORT PROCESS:

The IDP/PMS/ Budget Process Plan

It is required by legislation that a municipal council adopt a process to guide the planning, drafting and adoption of its IDP.

- MSA 28(1) *"each municipal council...must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan."*

IDP Process

The development, drafting and review of an Integrated Development Plan (IDP) is a lengthy planning process, rolling to a period of nine months, that needs to be properly planned, organised and followed carefully involving various internal and external municipal key stakeholders and participants at all levels as required by legislation, to engage all stakeholders in the plans.

The above as such, require a formalised strategy/business plan to be developed detailing all processes to be followed, roles and responsibilities of key stakeholders, time frames for the entire IDP review process. This process is very key and technical because it needs to look into institutional arrangements and preparedness of the municipality to ensure the development, credibility and sustainability of the document.

Legal Context

The Local Government: Municipal Systems Act, 32 of 2000 (MSA) and as amended, places the IDP at the top of municipal planning instruments by suggesting that an IDP, adopted by the Council of a Municipality, is the key strategic planning tool for the municipality. According to the mentioned Act it states that, the IDP is:

35(1)(a) *"...the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in the municipality";*

(b) *"binds the municipality in the exercise of its executive authority..."*

Section 25 of the MSA further prescribes that:

"(1) Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which –

(a) links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;

(b) aligns the resources and capacity of the municipality with the implementation of the plan;

(c) forms the policy framework and general basis on which annual budgets must be based;

(d) complies with the provisions of this Chapter; and

(e) is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation."

In accordance with this legislation, Moses Kotane Local Municipality Integrated Development Plan, as a key planning document, has set up its long-term vision as follows:

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Municipal Vision

"A caring and responsive municipality that is best to live in, work for, and do business with"

The IDP also details and need to ensure the following as listed below:

- Development priorities and objectives, which contribute towards achieving this vision, over the Municipal Councils as their elected term of office
- Strategies, to ensure the means by which these objectives will be realised and achieved;
- IDP programmes and projects which link to the strategies and contribute to the achievement of the objectives.

The IDP and Budget need to be developed, reviewed and amended in accordance with the requirements set out in the :

- Municipal Systems Act 32 of 2000, the Local Government: Municipal Planning and Performance Management Regulations 2001 and the
- Municipal Finance Management Act 56 of 2003.

In terms of the Municipal Systems Act, a municipality is required to review its IDP annually. Annual reviews allow the municipality to re look into progress made and outstanding challenges that need to be done as planning for the next financial year.

The refined plans and strategies will have to include additional issues and to ensure that these plans and strategies inform institutional - capacity issues as in human and resources and also financial planning.

The review and amendment of the IDP thus, further develops the IDP and ensures that it remains the principal management tool and strategic instrument for the Municipality.

MSA 34 a Municipal Council –

"(a) must review its integrated development plan

- i) Annually in accordance with an assessment of its performance measurements and*
- ii) To the extent that changing circumstances so demand and*

(b) May amend its integrated development plan in accordance with a prescribed process"

Implementing PMS

Alignment of IDP, Budget and PMS

The IDP, Budget and Performance Management System processes must be seamlessly integrated. Integrated Development Plan fulfills the planning stage of Performance Management. Performance Management System in turn, fulfills the implementation management, monitoring and evaluation of the Integrated Development Plan. The performance of an institution/organisation is integrally linked to that of the employees or its staff. The employees need to ensure that they perform their duties to be able to realise their objectives. If employees do not perform, the institution will not achieve its intended objectives. The two are inseparable and that is why is the most critical and important to manage both at the same time.

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National Key Performance Areas

The Municipality is trying to align its Key Performance Areas to the five National Key Performance Areas as articulated in the DPLG five year strategy.

- i) Financial viability
- ii) Infrastructure development and service delivery
- iii) Good governance and public participation
- iv) Institutional transformation
- v) Local Economic development

National Key Performance Indicators

The Municipality must note that, it is important to ensure that its KPI's are aligned to the 7-National KPI's as determined and monitored by DPLG. The 7-National KPI's are the following:

- (i) Access to basic services
- (ii) Access to free basic services
- (iii) Level of capital spending
- (iv) Number of local jobs created
- (v) Progress on employment equity at senior management level
- (vi) Level of municipal expenditure on the workplace skills plan
- (vii) Financial viability with respect to: debt coverage, outstanding debtors in relation to revenue and cost coverage.

Municipal Key Performance Areas (Strategic Goals),

Objectives, Indicators and Targets

The three above need to be adopted during Strategic Planning Session and Moses Kotane Local Municipality did not hold a Strategic Planning session during the 2014/2015 financial year.

There are strategic goals adopted as follows:

Organisational Strategies for indicators and targets for the next five years.

The Strategic goal must explain on how the following will be realised:

- To provide basic sustainable services to the communities
This will include delivering on road maintenance and construction, sanitation, electricity provision and water infrastructure, Municipal buildings, delivering of houses and other facilities.
- To promote sound Environmental Management
Greening the economy, pollution issues, mining activities to be controlled, waste management, solid waste and removals, licensing the relevant infrastructure
- To provide sound governance for local communities
Engagements of Ward Committees, Community Development Workers, IDP Representative Forums, Traditional Leaders, Mining Houses, Sector departments and employees
- To ensure sound governance practices within the Municipality
Corporate governance practices
Compliance Management; Best practices Management; Risk Management, Business leadership / financial management

Chapter 1

Planning for Performance

Service Delivery and Budget Implementation plans (SDBIP)

MFMA of 2003 Section 53 (c) iii require municipalities to compile and submit SDBIPs to the Executive Mayor within 28 days after the adoption of the budget by Council.

The SDBIPs are directly translated from the adopted IDP and Budget. They are regarded as the management and implementation tools of the IDP.

The Mayor approves the SDBIPs and they will form the basis for Performance Management of individuals within Moses Kotane.

The SDBIPs will determine the development and signing of performance agreements for section 57 employees

- The Acting Municipal Manager, Senior Managers and in our case Head of Departments – HOD's, are the ones held responsible for service delivery. The signed performance agreements are translated into Individual Performance Plans for all the staff members of the institution. This factor is still a challenge within Moses Kotane.

In accordance with National Treasury Circular No. 13, departmental SDBIPs will be consolidated into an organisational SDBIP which will include the following:

- Projection of revenue by source
- Projection of revenue and expenditure by vote; and
- Service delivery targets and performance indicators for each quarter

The standard format/framework for all departments needs to be developed for compilation of departmental SDBIP's. The IDP will record annual targets and the departments will ensure quarterly development of the SDBIP.

Performance Monitoring, Measuring and Reviewing

Performance Monitoring is a continuous process that runs parallel with the implementation of the IDP. The IDP is regarded as forward planning. The process entails collection, storage, verification and analysis of performance data in order to compare current performance with previous financial years and baseline indicators.

The IDP is not meant for a specific department, but all directorates, departments, sections and individuals within the Municipality. Everybody needs to take responsibility to collect relevant data/statistics to support the monitoring process.

Site visits to projects or evidence of performance is gathered and presented to substantiate claims of meeting/not meeting performance standards as adopted by Council and promised to our communities.

Performance Reporting

MFMA No. 56 of 2003 Section 52 requires the Mayor to submit a report on the implementation of the budget and the financial state of affairs of the municipality to council within 30 days after the end of each quarter.

Chapter 1

All quarterly performance reports are due for submission to the PMS office seven days after the end of each quarter. This will enable the office to compile a consolidated report on time to meet the requirements of the Act.

The same quarterly performance reports will further be consolidated into an annual performance report to be considered by council within 9 months after the end of each financial year in order to meet the requirements of Section 121 of the MFMA.

Chapter 2

CHAPTER 2 – GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Moses Kotane Local Municipality is a B-type municipality graded on level 4. It is operating on a collective executive system.

The municipality has a Council that has been elected by its community. The Council has the constitutional authority to ensure that there is development in its area of jurisdiction by providing sustainable services; promote social and economic development; promote safe and healthy environment and encourage the involvement of communities and community organisation in local government matters.

Politicians exercise oversight over service delivery implementation by interacting with administrative management and the relevant reports through the Portfolio Committees and the Executive Committee meeting.

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

The municipality is a collective executive type municipality where the Mayor is the Chairperson of the Executive Committee comprising of 10 executive councillors assigned responsibilities of overseeing administrative portfolios. Furthermore, there are committees established in terms of section 79 of the Municipal Structure's Act to provide oversight and report to the Council. The two committees established are Municipal Public Accounts Committee (MPAC) and Audit Committee. The MPAC serves as Council Oversight committee on the administration activities of the Municipality. The Audit Committee advises Council on matters relating to internal controls; risk management and governance process. The Municipality utilises the services of the Bojanala Platinum District Municipality Share Audit Committee Services and have played a pivotal role in performing an oversight role over financial and performance management during the financial year, including the annual report.

Chapter 2

POLITICAL STRUCTURE

MAYOR

Cllr Fetsang Mokati-Thebe



SPEAKER

Cllr Ralesole Diale



SINGLE WHIP

Cllr Maria Matshaba

Chapter 2

MAYORAL COMMITTEE/ EXECUTIVE COMMITTEE

Committee	Chairing Councillor
Community services	Lawrence Kapari
Finance	Dotty Tlabyane
IDP, PMS, IGR & Town planning	Thomas Manganye
Local Economic Development	Caroline Motshabi
Housing (Human Settlements) and Corporate Support Services	Nketu Nkotswe
Infrastructure & Technical services	Ezekiel Mashimo
Special projects	Dithoti Tshetlhane
Without portfolio	Amos Setou
Without portfolio	Kabelo Lesele

COUNCILLORS

There are 31 Ward Councillors who are directly elected by communities and 31 Proportional Representative Councillors and in addition there are 10 traditional leaders who serve in the Municipality as proportional Councillors and they also serve in the municipal portfolios. In total there are 72 Councillors.

Chapter 2

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented
	FT/PT		
Deleki Nomawisile	PT	LED & Rural Dev.	PR (ANC)
Diale Ralesole Abram (Speaker)	FT	Council	PR (ANC)
Khunou Mitah Khutsafalo	PT	Special Projects	Ward 22 (ANC)
Leoto Daniel	PT	Mpac & Corporate Services Infrastructure & Technical Services	Ward 08 (ANC)
Lephoto Elizabeth(ACDP)	PT	Community Services & LLF	PR (ACDP)
Lesele Kabelo (COPE)	FT	Corporate Services	PR (COPE)
Letlape Abednico	PT	Human Settlement	Ward 15 (ANC)
Tshwenyego	PT	Community Services	Ward 28 (ANC)
Lukhele Rose Mpula	PT	LED & Rural Dev. Infrastructure & Technical Services	Ward 24 (ANC)
Magodiolo Abish	PT	IDP & PMS	Ward 27 (Independent)
Makgothi	PT	Finance	Ward 17 (ANC)
Thompson(Independent)	FT	Infrastructure & Technical Services	PR (ANC)
Manganye Bushy	PT	Infrastructure & Technical Services, Corporate Services	PR (UCDP)
Manganye Thomas	FT	IDP & PMS, Special Projects Community Services, MPAC & LLF	PR (ANC)
Raymond (EXCO Member)	PT	LED & Rural Dev.	PR (ANC)
Maretele Joy (UCDP)	FT	Caucus	PR (ANC)
Mashimo Ratselana Ezekiel (EXCO Member)	PT	Community Services & Special Projects	Ward 14 (ANC)
Mashishi Stephina	PT	Infrastructure & Technical Services	PR (ANC)
Ntebatseng	PT	Infrastructure & Technical Services	Ward 19 (ANC)
Masilo Jafta	PT	Human Settlement	Ward 03 (ANC)
Matlapeng Seipati Sarah	PT	Finance	PR (COPE)
Matshaba Maria Zippora (Whip)	FT	Human Settlement	PR (ANC)
Matshereng Efesia	PT	Community Services & Infrastructure	PR (ANC)
Kgothatso Kodongo	PT	IDP & PMS	Ward 29 (Independent)
Mkhandawiri Pule	PT	Community Services & Special Projects	PR (ANC)
Mngomezulu Phillip (COPE)	PT		
Moate Lucky Lucas	PT		
Moatshe George Daniel	PT		
Lawrence Kapari (EXCO Member)	FT		
Moeng Toto (Independent)	PT		
Mokgatlhe Martha Masefudi	PT		

Chapter 2

Mokati-Thebe Fetsang (Mayor)	FT	Executive Committee	PR (ANC)
Moloi Ntsebeng	PT	IDP & PMS	Ward 06 (ANC)
Monnakgotla Chonko Triphosa	PT	IDP & PMS & MPAC	Ward 30 (ANC)
Monyatsi Mpho	PT	Corporate Services	Ward 31 (ANC)
Moraope Sina (COPE)	PT	Finance	PR (COPE)
Moruwa Ellah (DA)	PT	No Allocation	PR (DA)
Motlhaga Ruth	PT	Finance	Ward 13 (ANC)
Motshabi Caroline Nkeifeng (EXCO Member)	FT	LED & Rural Dev. & Community Services	PR (ANC)
Motshengoe Desia	PT	Human Settlement Infrastructure & Technical Services & Special Projects	Ward 9 (ANC)
Lilian Poloko Lesomo	PT		PR (ANC)
Motswenyane Zippora (DA)	PT	LED & Rural Dev.	PR (ANC)
Moyo Florah	PT	Human Settlement Special Projects, Finance & MPAC	Ward 2 (ANC)
Ndlovu Hazel	PT		Ward 1 (ANC)
Nhlapo Lindiwe	PT	Human Settlement & Finance	Ward 04 (ANC)
Nkotswe Nketu (EXCO Member)	FT	Corporate Services & Human Settlement	Ward 23 (ANC)
Nondzaba Magdeline	PT	IDP & PMS	PR (ANC)
Ntshabele Saltiel	PT	No Allocation	Ward 07 (ANC)
Pele Julia	PT	Infrastructure & Technical Serv.	Ward 25 (ANC)
Pheto Rose	PT	IDP & PMS	Ward 16 (ANC)
Radiokana Mamikie	PT	Corporate Services	Ward 18 (ANC)
Lizamile Bili (DA)	PT	MPAC & Corporate Services Special Projects	PR (DA)
Ramapotoka George	PT	Community Services & Finance	PR (ANC)
Ramokoka Aaron	PT	Finance	Ward 12 (ANC)
Rasepae III Maganelo (UCDP)	PT	MPAC & Community Services	PR (UCDP)
Sekao Hendrick	PT	No Allocation	Ward 26 (ANC)
Sekhu Selina Keitumetse	PT	LED & Rural Dev.	PR (ANC)
Setou Amos (UCDP) (EXCO Member)	FT	Corporate Services	PR (UCDP)
Tau Dipuo	PT	Infrastructure & Technical Serv.	Ward 5 (ANC)
John Monaise (COPE)	PT	MPAC	PR (COPE)
Tlabyane Dotty Rose (EXCO Member)	FT	Finance	PR (ANC)
Tshetlhane Dithothi (EXCO Member)	FT	Special Projects & LED	Ward 20 (ANC)
Tshite Lekuka Moruakgomo Joel	PT	MPAC & LLF	PR (ANC)
Selotlego Dikeledi Joyce	PT	MPAC, LLF & Special Projects	PR (ANC)
Vava Sipho (MPAC Chairperson)	FT	MPAC	Ward 21 (ANC)

Chapter 2

Zitha Lerato Traditional Leaders Kgosi Mabe Kgosi Sefanyetso Kgosisgadi Sedumedi Kgosi Mogagabe Kgosi Mogale Kgosi Legoale Kgosi Mooketsi Kgosi Maotwe	PT	Human Settlement	Ward 10 (ANC)
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Chapter 2

POLITICAL DECISION-TAKING

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
4 JULY 2014	55/09/2013:	MOGWASE LAND AUDIT REPORT 2013	RESOLVED <ul style="list-style-type: none"> a) That the report be noted; b) That all proposed land disposal applications be submitted to Council for approval prior to any development taking place. c) That a service provide be appointed to conduct a land audit for the entire municipality including areas under tribal Authorities;
	141/02/2013	APPLICATION FOR PURCHASE AND DEVELOPMENT OF A PORTION OF ERF 991 UNIT 3, MOGWASE RESOLVED	That the application by Mr. B.J Motlhasedi to purchase a portion of Erf 991 Unit 3 Mogwase be approved subject to the following conditions:

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<ul style="list-style-type: none">a) That the site be allocated and sold to the applicant at the market related price;b) That two independent property valuers be appointed to determine the value of the land and the highest price be used as the market related pricec) That the cost of the appointment of the valuers be at the applicants account;d) That an agreement of sale be signed between the Municipality and the applicant;e) That the applicant submit a subdivision application and the rezoning of the subdivide portion within 12 months from the date of approval failing which the site will revert back to the municipality;f) That the subject portion be developed within two (2) years from the date of approval and if the applicant fails the land will then be reverted back to the Municipality;

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>g) That the applicant complies with all the clauses or conditions to be stipulated within the agreement document and the council resolution;</p> <p>h) That the site development plan be submitted to the Council for approval prior to the approval of the building plans;</p> <p>i) The applicant shall be responsible for the provision and installation of all engineering services required at his own cost to the satisfaction of the municipality;</p> <p>j) The applicant shall be responsible for all costs as a result of this application;</p> <p>k) That the applicant complies with the normal building plan approval, in terms of the National Building Regulations (no construction on site should occur without any building plan approval by the Council);</p> <p>l) The applicant to ensure compliance with all fire and environmental health requirements and standards;</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>m) Ingress to and egress from the site shall be positioned, designed and constructed to the satisfaction of the Municipality;</p> <p>n) Where necessary, contributions, in respect of essential services, shall be paid to the Moses Kotane Local Municipality in accordance with Section 63(1) of the Town-Planning and Townships Ordinance, No 15 of 1986.</p> <p>o) All conditions of the Moses Kotane Local Municipality services departments shall be complied with.</p>
	155/01/2014:	DRAFT EVENTS MANAGEMENT POLICY	<p>RESOLVED</p> <p>a) That the contents of the draft events management policy be noted</p> <p>b) That the draft events management policy be approved for</p>

Chapter 2

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>implementation</p> <p>c) That the departments take cognizance of the draft events management policy</p> <p>d) That Councilors be work-shopped on the policy</p>
	168/01/2014	PROGRESS REPORT ON THE IMPLEMENTATION OF THE MUNICIPAL INTEGRATED SPATIAL DEVELOPMENT FRAMEWORKS	<p>RESOLVED</p> <p>a) That notice is taken of the contents of the report.</p>
	191/03/2014:	PROGRESS OF LAND DISPOSAL APPLICATIONS SUBMITTED TO MUNICIPALITY FOR CONSIDERATION	<p>RESOLVED</p> <p>a) That the report be noted;</p> <p>b) That all proposed land disposal applications be submitted to council for approval prior to any</p>

Chapter 2

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			development taking place. c) That Ward Councillors be engaged prior to development taking place
	194/03/2014	ESTABLISHMENT OF EVENTS MANAGEMENT TASK TEAM	RESOLVED a) That the events management task team be formally established b) That the Accounting Officer nominates and appoints officials who will serve as members of the events management task team. c) That Council nominates four Councillors (Finance, Community Services, IDP, PMS, IGR and Town Planning and Infrastructure and Technical Services) who will serve as members of the events management task team d) Speaker to finalize the names of Councillors to serve on this Task Team
	235/05/2014:	REPORT FOR INTEGRATION FOR SPECIAL PROJECTS PROGRAMMES	

Chapter 2

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
		2014/2015	RESOLVED a) That council resolves that all these four desks should work with an integrated budget under the MMC for Special Projects. The portfolio head should not administer an individual desk budget. All projects in the Mayor's Office should be integrated and operate with one budget and one vote named Special Projects. b) The Office of the Mayor also needs to raise funds to help financially needy and academically-deserving children from underprivileged background with bursaries or scholarships. Also, in order to keep the youth from the streets and to promote a sports nation a Mayors Cup will be launched. The office should establish

Chapter 2

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>partnerships with business sector and the Department of Education.</p> <p>c) That council notes the report</p>
	239/06/2014:	FINANCIAL REPORT FOR APRIL 2014 (7/15/1/2/1)	<p>RESOLVED</p> <p>a) That the financial report for April 2014 be accepted and noted.</p>
	240/06/2014:	FINANCIAL REPORT FOR MAY 2014 (7/15/1/2/1)	<p>RESOLVED</p> <p>a) That the financial report for May 2014 be accepted and noted.</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	245/06/2014:	REPORT ON FREE BASIC SERVICES	RESOLVED <ul style="list-style-type: none"> (a) That the report on free basic service indigents be noted (b) That the recommendation as reflected in the body of the report be adopted and approved for immediate implementation.
	246/06/2014:	PROGRESS REPORT ON THE VALUATION APPEAL PROCESS AND SUPPLEMENTARY VALUATION ROLL FOR THE PERIOD 2012/2016 (5/2/2)	RESOLVED <ul style="list-style-type: none"> a) That notice is taken of the report on the valuation processes for the period 01 July 2012 to 30 June 2016. b) That the implementation of the first supplementary Valuation Roll for the financial year 1 July 2014 to 30 June 2015 be approved
	247/06/2014:	REPORT ON THE OMISSION ON THE PERMANENT APPOINTMENT OF TEMPORARY EMPLOYEES	RESOLVED <ul style="list-style-type: none"> a) That the report on the request for permanent absorption of Mr. K. S. Molefe who was omitted in the list of absorbed temporary employees be approved.

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	248/06/2014:	SUPPLY CHAIN MANAGEMENT MONTHLY REPORT FOR MAY 2014	RESOLVED a) That the contents of the report be noted. b) That all relevant legislation be adhered to.
	249/06/2014:	ADJUSTMENTS BUDGET 2013/2014 (15/1/1/) (2013/2014)	RESOLVED That in terms of Section 28(2) of the Municipal Finance management Act, 2003 (Act 56 of 2003) the proposed 2013/2014 Adjustment Budget be approved as set out in the following tables as contained in Annexure A: 4.1 Adjustments Budget summary. B1 4.2 Adjustments Budget Financial Performance. (standard classification)B2 4.3 Adjustments Budget Financial Performance. (revenue and expenditure by municipal vote)B3 4.4 Adjustments Budget financial performance. (revenue and expenditure)B4 4.5 Adjustments Capital Expenditure Budget by vote and funding. B5 4.6 Adjustments Budget Financial

Chapter 2

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			Position. B6 4.7 Adjustment Budget Cash Flows. B7 4.8 Cash backed reserves/accumulated surplus reconciliation. B8 4.9 Asset Management. B9 4.10 Basic service delivery measurement. B10
	250/06/2014:	HR REPORT ON APPOINTMENTS, TERMINATIONS AND PROMOTIONS	RESOLVED a) That the report be noted.
	251/06/2014:	INTEGRATED DRAFT MARKETING AND COMMUNICATION STRATEGY 2014/2015	RESOLVED a) That the draft integrated marketing and communication strategy for the financial year 2014/2015 be approved.

Chapter 2

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>b) That progress on the implementation of the communication be submitted to Council quarterly.</p> <p>c) That Heads of Departments incorporate communication strategy into their SDBIP, policies and processes</p> <p>d) That all departments be informed of their involvement on the implementation of the strategy</p> <p>e) That the strategy be reviewed annually</p> <p>f) That Councillors be Work-shopped before its implementation</p> <p>g) That the municipal manager monitor the</p>

Chapter 2

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>progress of the Communication and IGR Unit and report monthly</p> <p>h) That the Strategy be implemented in line with the NDP Goals</p>
	252/06/2014:	REPORT ON THE EASTER PRAYING SESSION 2014 FOR COUNCILLORS AND EMPLOYEES	<p>RESOLVED</p> <p>a) That the report be noted.</p> <p>b) That this event be held annually.</p> <p>c) That the religious sector be broadly consulted</p>

Chapter 2

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	254/06/2014:	DRILLING OF A BOREHOLE FOR THE MAYORAL HOUSE	RESOLVED <ul style="list-style-type: none"> a) That Council condones the drilling of a borehole for the mayoral house.
	255/06/2014:	MUNICIPAL REGULATIONS ON A STANDARD CHART OF ACCOUNTS (SCOA), NOTICE 312 OF 2014: GOVERNMENT GAZETTE NO 37577 (15/1/1/) (2013/2014	RESOLVED <ul style="list-style-type: none"> a) That the contents of the Government Gazette is noted b) That the necessary steps be taken to ensure that these Regulations are implemented by the date as determined by National Treasury c) That regular progress reports be submitted to council regarding the implementation of these Regulations.

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	256/06/2014:	DRAFT TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) FOR 2014/2015 FINANCIAL YEAR	<p>RESOLVED</p> <p>a) That Council takes note of the draft SDBIP for 2014/2015 financial year.</p>
	257/06/2014:	DRILLING OF 2 NEW BOREHOLES FOR THE CIVIC CENTRE	<p>RESOLVED</p> <p>a) That Council approves the drilling of the 2 new boreholes at the Civic Centre.</p> <p>b) That Council notes the service to be rendered.</p>
	258/06/2014:	REPORT ON THE PUBLIC PROTECTOR'S COMPLAINTS	<p>RESOLVED</p>

Chapter 2

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>a) That Council takes note of the response submitted by the Municipal Manager recorded on page 1- 15 of the letter to the Office of the Public Protector dated 29th May 2014.</p> <p>b) That Council takes note of the report submitted to the Municipal Manager from the meeting held with Office of the Public Protector on the 03rd June 2014.</p> <p>c) That the progress report to finalise the complaints received be submitted on a regular basis.</p>
	259/06/2014:	REPORT ON THE LEKGOTLA HELD ON THE 14 TH JUNE 2014	<p>RESOLVED</p> <p>a) The content of the report</p>

Chapter 2

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>and the Premier's priorities be noted.</p> <p>b) The budget allocated for the basket of services to be implemented within the 1st 100 days of office of the newly elected cabinet be recommended for approval by Council.</p> <p>c) That a report on the implementation of the basket of services be presented after every 30 days from date of implementation until the 100 days period is complete.</p>
	260/06/2014:	CONSOLIDATED REPORT ON THE MID TERM FINANCIAL REPORT OF THE STRATEGIC SESSION: 19-21 FEBRUARY 2014	<p>RESOLVED</p> <p>a) That the content of the report be noted.</p>

Chapter 2

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			b) That a follow up of the remedial action be followed through during the performance review of the 2013/2014 2 nd half year (4 th quarter) report.
	262/08/2014:	PROPOSED SCHEDULES FOR MEETING OF WARD COMMITTEES, PORTFOLIO COMMITTEES, EXCO AND COUNCIL FOR FINANCIAL YEAR 2014/2015 (3/2/2/1)	RESOLVED a) That the attached proposed schedules for meetings of ward committees, Portfolio, Executive Committee and Council for the financial year 2014/2015 be approved
08 AUGUST 2014	292/07/2014:	FINAL REPORT ON THE RECRUITMENT PROCESS OF THE HEADS OF DEPARTMENT INFRASTRUCTURE AND TECHNICAL SERVICES	RESOLVED:

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>That cognizance is taken:</p> <ul style="list-style-type: none"> a) Of the advertisement of the HOD post (section 56 manager) b) Of the shortlisting process was conducted; c) Of the approved panel conducted the interview process for the senior managers positions; d) Of the reports of the interviews for the senior manager post. e) Of the financial and legal implication of the process to fill the position of the senior manager f) That Mr. T.T Chiloane be appointed as the HOD: Infrastructure and Technical Services subject to compliance with relevant legislation and regulations; g) That the Municipal Manager inform Mr T.T Chiloane of

Chapter 2

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>the decision of the Council and commence the negotiations on terms and conditions of their appointment, including the date of commencement;</p> <p>h) That in compliance with Section 54A (7) (a) of the Municipal Systems Act, as amended, the Municipal Manager makes a submission to seek concurrence of the MEC for Local Government and Traditional Affairs in the North West Province for the appointment of the candidates.</p>
	298/08/2014:	<p>REPLACEMENT OF AFRICAN NATIONAL CONGRESS (ANC) PR COUNCILLOR MOTSHEGOE BY NEW COUNCILLOR LILLIAN POLOKO LESOMO.</p>	<p>RESOLVED</p> <p>a) That Council approves the appointment of Clr. Lillian Poloko Lesomo as a member of the Moses Kotane Municipal Council.</p> <p>b) That Clr. Lillian Poloko</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			Lesomo be sworn in as a Councillor by the Magistrate of the Mankwe Madikwe Magisterial District.
	01/08/2014:	RE-DETERMINATION OF MOSES KOTANE LOCAL MUNICIPALITY FROM A COLLECTIVE EXECUTIVE SYSTEM TO A MUNICIPALITY WITH A MAYORAL EXECUTIVE SYSTEM	RESOLVED <ul style="list-style-type: none"> a) That the Council seeks concurrence of the Members of the Executive Committee (MEC) of Local Government and Human Settlement in the North West Province to re-determine Moses Kotane Local Municipality from Chapter 1 Section 10(a) to Chapter 1 Section 10 (b) b) That the Accounting Officer be mandated to facilitate the process and report back to Council
	03/08/2014:	ELECTION OF EXECUTIVE MEMBER TO REPLACE THE LATE CLR. K.S MOTSHEGOE	RESOLVED: <ul style="list-style-type: none"> a) That Council elects one Councillor from Council to

Chapter 2

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>serve in the Executive Committee to replace the late Clr. K.S.Motshegoe.</p> <p>b) That Council appoints the Head/ Chairperson of the Portfolio Committee of Community Services.</p> <p>c) Cllr Lawrence Lucky Kapari ID Number:5402165845085 is duly nominated as a member of the Executive Committee to replaced Cllr K.S Motshegoe</p>
	266/07/2014:	ANNUAL SUPPLY CHAIN MANAGEMENT REPORT FOR THE YEAR ENDING JUNE 2014	<p>RESOLVED</p> <p>a) That the contents of the report be noted.</p> <p>b) That Finance Department to look at mechanism in minimizing the deviations.</p> <p>c) That all deviations be disclosed in the Annual Financial Statements</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION /S
	267/07/2014:	PROPOSED LAND TENURE UPGRADING FOR MANTSHO ON A PORTION OF THE FARM ELANDSKUIL 126-JP, NORTH WEST PROVINCE	<p>RESOLVED</p> <p>That the application by land tenure services for the township establishment and Land Tenure Upgrading for Mantsho located on the farm Elandskuil 126 JP be approved subject to the following conditions that:</p> <ol style="list-style-type: none">1. The Town Planning Layout Plan be approved;2. The proposed Development be proclaimed once all legislative requirements have been complied with;3. Conditions of Township Establishment be approved and all the conditions be adhered to;4. All stormwater shall be attenuated on site to the satisfaction of the Local

Chapter 2

MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>Municipality;</p> <p>5. Any alterations or relocation of services resulting from the creation of new access points shall be at the cost of the owner;</p> <p>6. The applicant shall submit final general plans to the municipality for approval by Surveyor General Office;</p> <p>7. Access to the site shall be to the satisfaction of the relevant authority and municipality;</p> <p>8. All conditions of the Moses Kotane Local Municipality services departments and Town Planning Scheme 2005 shall be complied with.</p>
	268/07/2014:	PROPOSED LAND TENURE UPGRADING FOR MARAPALLO ON THE FARMS DE KAMEELKUIL 130 JP AND BIERKRAAL	<p>RESOLVED</p> <p>That the application by land tenure services for the township</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
		134 JP, NORTH WEST PROVINCE	<p>establishment and Land Tenure Upgrading for Marapallo located on the farm De Kameelkuil 130 JP and Farm Bierkraal 132 JP be approved subject to the following conditions that:</p> <ol style="list-style-type: none">1. The Town Planning Layout Plan be approved;2. The proposed Development be proclaimed once all legislative requirements have been complied with;3. Conditions of Township Establishment be approved and all the conditions be adhered to;4. All stormwater shall be attenuated on site to the satisfaction of the Local Municipality;5. Any alterations or relocation of services resulting from the creation

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>of new access points shall be at the cost of the owner;</p> <p>6. The applicant shall submit final general plans to the municipality for approval by Surveyor General Office;</p> <p>7. Access to the site shall be to the satisfaction of the relevant authority and municipality;</p> <p>8. All conditions of the Moses Kotane Local Municipality services departments and Town Planning Scheme 2005 shall be complied with.</p>
	269/07/2014:	PROPOSED LAND TENURE UPGRADING FOR MOGODITSHANE ON THE FARM VLAKPLAATS 283 KP, NORTH WEST PROVINCE	<p>RESOLVED</p> <p>That the application by land tenure services for the township establishment and Land Tenure Upgrading for Mogoditshane located on the farm Vlakplaas 238 KP be approved subject to the following</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION /S
			conditions that: <ol style="list-style-type: none">1. The Town Planning Layout Plan be approved;2. The proposed Development be proclaimed once all legislative requirements have been complied with;3. Conditions of Township Establishment be approved and all the conditions be adhered to;4. All stormwater shall be attenuated on site to the satisfaction of the Local Municipality;5. Any alterations or relocation of services resulting from the creation of new access points shall be at the cost of the owner;6. The applicant shall submit final general plans to the

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>municipality for approval by Surveyor General Office;</p> <p>7. Access to the site shall be to the satisfaction of the relevant authority and municipality;</p> <p>8. All conditions of the Moses Kotane Local Municipality services departments and Town Planning Scheme 2005 shall be complied with.</p>
	270/07/2014:	<p>PROPOSED LAND TENURE UPGRADING FOR MANTSERRE PROPER AND MANTSERRE EXTENSION 1 VILLAGES ON A PORTION OF PORTION 1 OF THE FARM VARKENSVLEI 403-KQ AND A PORTION OF PORTION 1 OF THE FARM VARKENSVLEI 403-KQ, NORTH WEST PROVINCE</p>	<p>RESOLVED</p> <p>That the application by land tenure services for the township establishment and Land Tenure Upgrading for Mantserre located on the farm Varkensvlei 403 KQ be approved subject to the following conditions that:</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION /S
			<ol style="list-style-type: none">1. The Town Planning Layout Plan be approved;2. The proposed Development be proclaimed once all legislative requirements have been complied with;3. Conditions of Township Establishment be approved and all the conditions be adhered to;4. All stormwater shall be attenuated on site to the satisfaction of the Local Municipality;5. Any alterations or relocation of services resulting from the creation of new access points shall be at the cost of the owner;6. The applicant shall submit final general plans to the municipality for approval by

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>Surveyor General Office;</p> <p>7. Access to the site shall be to the satisfaction of the relevant authority and municipality;</p> <p>8. All conditions of the Moses Kotane Local Municipality services departments and Town Planning Scheme 2005 shall be complied with.</p>
	271/07/2014:	PROPOSED LAND TENURE UPGRADING FOR NKOGOLWE VILLAGE ON THE FARM KRUGERSKOP 124 JP, NORTH WEST PROVINCE	<p>RESOLVED</p> <p>That the application by land tenure services for the township establishment and Land Tenure Upgrading for Nkogolwe located on the farm Krugerskop 124 JP be approved subject to the following conditions that:</p> <p>1. The Town Planning Layout Plan be approved;</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<ol style="list-style-type: none">2. The proposed Development be proclaimed once all legislative requirements have been complied with;3. Conditions of Township Establishment be approved and all the conditions be adhered to;4. All stormwater shall be attenuated on site to the satisfaction of the Local Municipality;5. Any alterations or relocation of services resulting from the creation of new access points shall be at the cost of the owner;6. The applicant shall submit final general plans to the municipality for approval by Surveyor General Office;7. Access to the site shall be to the satisfaction of the relevant authority and

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>municipality;</p> <p>8. All conditions of the Moses Kotane Local Municipality services departments and Town Planning Scheme 2005 shall be complied with.</p>
	275/07/2014:	INTEGRATED CORPORATE CALENDAR 2014/2015	<p>RESOLVED</p> <p>a) That the contents of the draft Integrated Corporate Calendar 2014/2015 be noted</p> <p>b) That the draft Integrated corporate calendar 2014/2015 be approved for implementation</p> <p>c) Those departments take cognizance of the corporate calendar as the framework of coordination.</p> <p>d) That quarterly report on implementation of the Integrated corporate calendar 2014/2015 be submitted to Council</p> <p>e) That the office of the</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			speaker to finalize for implementation.
	279/07/2014:	FINANCIAL REPORT FOR JUNE 2014(7/15/1/2/1)	RESOLVED a) That the financial report for June 2014 be accepted and noted.
	281/07/2014	INCLUSION OF THE ACCESS ROAD TO THE CIVIC CENTRE PROJECT IN THE INTERGRATED DEVELOPMENT PLAN (IDP)	RESOLVED a) To note that the projects must be implemented for the completion phase of the Civic Centre b) A Consultant has been appointed and the layout and 3D model of how the completed project will look like has been done. c) That Council should approve inclusion of these projects in the IDP 2014-2015 financial year. d) That all procurement processes be followed to appoint the contractor.

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	282/07/2014:	PROPOSED DEVELOPMENT OF A 50MW SOLAR POWER PLANT WITHIN MOSES KOTANE LOCAL MUNICIPALITY	RESOLVED <ul style="list-style-type: none"> a) That Council notes the presentation and the contents thereof. b) That Council considers the proposal to have a Partnership with Moses Kotane Local Municipality in the provision of alternative energy; c) That Council considers the allocation of a piece of Land (110HA) to the project as a contribution towards supporting this initiative. This land should be close to ESKOM power Station or GRID. Procurement of services for this process will be done by Matsidikane Energy Consortium as they will be financiers or Turn Key Developers d) That the Municipal

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>Manager be mandated to sign a Service Level Agreement with the Service Provider</p> <p>e) That a regular progress report be submitted to Council</p>
	02/08/2014:	<p>RESTRUCTURING OF REPRESENTATION OF MOSES KOTANE LOCAL MUNICIPALITY</p> <p>IN BOJANALA PLATINUM DISTRICT MUNICIPALITY</p>	<p>RESOLVED</p> <p>a) That the Council notes the restructuring of the representation.</p> <p>b) That Council approves the restructuring of the representation.</p> <p>c) That the Office of the Speaker in Moses Kotane Local Municipality informs the Office of the Speaker at BPDM about the restructuring.</p> <p>d)</p>
	04/08/2014:	<p>RESTRUCTURING OF PORTFOLIO MEMBERS</p>	<p>RESOLVED</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>a) That notice be taken of the proposed restructuring of the Portfolios</p> <p>b) That Council approves the restructuring of Portfolios</p>
03 SEPTEMBER 2014	14/09/2014:	REPLACEMENT OF CONGRESS OF THE PEOPLE (COPE) PR COUNCILLOR THUSI MOSES BASIMANE BY NEW COUNCILLOR JOHN BENJAMIN MONAISE.	<p>RESOLVED</p> <p>a) That Council approves the appointment of Clr. John Benjamin Monaise as a member of the Moses Kotane Municipal Council.</p> <p>b) That Clr. John Benjamin Monaise be sworn in as a Councillor by the Magistrate of the Mankwe Madikwe Magisterial District.</p>
	15/09/2014:	RESIGNATION OF WARD 19 COUNCILLOR	<p>RESOLVED</p> <p>a) That Council notes the report.</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	10/08/2014:	REQUEST FOR MOSES KOTANE LOCAL MUNICIPALITY TO FORM PART OF STEERING COMMITTEE ESTABLISHED TO COORDINATE THE REPATRIATION OF REMAINS OF THE LATE MOSES KOTANE FROM THE RUSSIAN FEDERATION	RESOLVED: <ol style="list-style-type: none"> That Council notes and approves that the Mayor and the Municipal Manager represents the MKLM on the National Task Team. That Council notes and approves that a local technical task team be established, comprising: <ul style="list-style-type: none"> • Mr Tshagofatso Motlhabane (Leader) • Ms Beauty Makganye • Ms Thembi Jalvan • Mr Patrick Magano • Mr Karabo Sefora • Ms Bafedile Moselane That Council notes and approves that the Mayor accompanies Minister of Arts and Culture on the intended trip to Russia on the date still to be finalized

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>d) That Council notes the draft concept document for implementation</p> <p>e) That the Municipal Manager regularly updates Council on the developments with regards to the programme</p>
	276/07/2014:	<p>THE REQUIRED INSTITUTIONAL ARRANGEMENTS TO RENDER THE MOSES KOTANE LOCAL MUNICIPALITY READY TO IMPLEMENT THE NEW TOWN PLANNING LEGISLATION: SPATIAL PLANNING AND LAND USE MANAGEMENT ACT, 16 OF 2013 (SPLUMA)</p>	<p>RESOLVED</p> <p>a) That the report be noted.</p> <p>b) That the proposal to establish a SPLUMA aligned Joint Municipal Planning Tribunal (JMPT) with Kgetleng-Rivier Local Municipality be supported.</p> <p>c) That awareness about the new Town Planning</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			legislation called Spatial Planning and Land Use Management Act, 16 of 2013(SPLUMA) be conducted
	07/08/2014:	DRAFT IDP/PMS AND BUDGET PROCESS PLAN FOR FINANCIAL YEAR 2015/2016	RESOLVED <ul style="list-style-type: none"> a) That Council to note the draft IDP/Budget/PMS Process Plan on the Time Schedule of Key Deadline Dates (Budget and Financial Process), the Budget Programme and that Public Participation Programme be noted as a guide for implementation within the Municipality. b) The IDP Rep Forum will be held in four sessions not only for compliance purposes, but to strengthen consultations and c) That Council to note that

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>the four consultations will only operate from the second quarter when implementing five (5) phases of the IDP</p> <p>d) The request also for the manager in the office of the Speakers to ensure that the CLO's in the office assist the IDP unit during mobilisation of Community Consultations</p> <p>e) The Mayor, the Speaker and Municipal Manager to ensure that the IDP Unit publishes the programme to Traditional Leaders and are placed at all accessible areas by 107 villages including Madikwe and Mogwase townships.</p> <p>f) Council to note the IDP/PMS/Budget Framework from Bojanala</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			Platinum District Municipality g) That councillors to be work-shopped on the IDP process plan before the commencement of Public Participation
	09/08/2014:	DRAFT ANNUAL REPORT FOR 2013/2014 FINANCIAL YEAR	RESOLVED a) That Council considers the contents of the draft annual report for 2013/2014 financial year.
30 OCTOBER 2014	69/10/2014:	NOTIFICATION OF EXPULSION AND SUBSEQUENT WITHDRAWAL OF EXPULSION OF COPE COUNCILORS	RESOLVED a) That the contents of the correspondence received on the notification and subsequent withdrawal of expulsion of Clr K Lesele and Clr S Moraope from

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			COPE be noted.
	174/01/2014:	<p>APPLICATION FOR THE EXTENSION OF TIME AND THE AMENDMENT OF THE</p> <p>TOWNSHIP ESTABLISHMENT AND LAYOUT PLAN OF MOGWASE UNIT 9 ON A PORTION OF THE FARM OLIVENBOOM 62 JQ Ward 15</p>	<p>RESOLVED</p> <p>That the application by Cicam Ikemeleng Joint Venture for the extension of time, the amendment of the township establishment application and layout of Mogwase Unit 9 on Portion of the Farm Olivenboom 62JQ be approved and all the conditions of approval attached be complied with:</p> <p>a) That the applicant be responsible for all costs as a result of this application;</p> <p>b) That the subject property be developed within two (2) years from the date of approval and if the applicant fails the land will</p>

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			<p>then be reverted back to the Council with the same price of purchase;</p> <p>c) That the applicant complies with the normal building plan approval, in terms of the National Building Regulations (no construction on site should occur without any building plan approval by the Council);</p> <p>d) That the applicant complies with all the Town Planning requirements as stipulated within the Moses Kotane Town Planning Scheme, 2005;</p> <p>e) That in the event of any Telkom apparatus being affected as a result</p>

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			<p>of this application, this will take form of a separate agreement between the Telkom authorities and the applicant;</p> <p>f) All engineering services relating to the proposed development shall be provided at the cost of the applicant;</p> <p>g) That the applicant in the form of writing acknowledges the Council decision within 30 days from date of confirmation of approval.</p> <p>h) That the applicant submits within 30 days from the date of approval the project programme indicating all stages and</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>their time lines.</p> <p>i) That the initial general plan as approved be withdrawn;</p> <p>j) That the revised conditions of establishment be approved in line with the amended layout plan.</p> <p>k) All conditions of the Moses Kotane Local Municipality services departments shall be complied with.</p>
	241/06/2014:	<p>PROPOSAL TO STABLISHMENT OF THE MOSES KOTANE LOCAL MUNICIPALITY ENVIRONMENTAL MANAGEMENT FORUM</p>	<p>RESOLVED</p> <p>a) That the Council take note of the proposal for establishment of the Moses Kotane Local Municipality Environmental Management Forum.</p> <p>b) That the Council approve the proposal.</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			c) That the environmental by-laws be promulgated.
	242/06/2014:	REPORT ON WASTE COLLECTION STUDY CONDUCTED AT LEPELLE- NKUMPI AND GREATER TZANEEN LOCAL MUNICIPALITY	RESOLVED <ul style="list-style-type: none"> a) That the report be noted. b) That the Municipality develop intergrated Waste Management plans and policies. c) That the Municipality develop a Rural Waste Programme. d) That the Municipality should develop internal capacity for waste collection as long term solution. e) That the Municipality should develop Environmental Management plans and policies. f) That Environmental by laws be promulgated. g) That the municipality should develop a broader master plan.

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	253/06/2014:	REPORT ON THE ESTABLISHMENT AND LAUNCHING OF THE MOSES KOTANE SPORTS COUNCIL AND ADOPTION OF THE CONSTITUTION	RESOLVED a) That Council takes note of the report. b) That Council adopts the Sports Council Constitution. c) That a business plan be developed to determine budget allocation for the Sports Council programmes.
	288/07/2014:	PERFORMANCE MANAGEMENT SYSTEM FRAMEWORK FOR 2014/2015	RESOLVED a) That Council considers the Performance Management System Framework for 2014/2015.
	289/07/2014:	REPORT ON THE EXPIRY OF THE CONTRACT FOR EMPLOYEE SERVICE PROVIDER (CAREWAYS GROUP)	RESOLVED a) That the report be noted. b) That the position of an EAP Specialist be created to comply with Employee

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>Wellness Assistant Programme in the workplace requirements.</p> <p>c) That the HR to do the service internally.</p> <p>d) That the virement of R420 000 be transferred to the salary of the EAP position.</p>
	290/07/2014:	REPORT ON THE APPOINTMENT OF DELOITTE CONSULTING TO CONDUCT THE JOB EVALUATION EXERCISE	<p>RESOLVED</p> <p>a) That the report on the appointment of Deloitte Consulting be noted.</p> <p>b) That all departments be encouraged to finalize their job descriptions.</p> <p>c) That the contents of all job descriptions be confirmed with employees before</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>submission for Job evaluation.</p> <p>d) That Council considers the establishment of a sub-committee to ensure the success of the project.</p> <p>e) That the monthly report on Job evaluation be submitted.</p>
	05/08/2014:	FINANCIAL REPORT FOR JULY 2014 (7/15/1/2/1)	<p>RESOLVED</p> <p>a) That the financial report for July 2014 be accepted and noted.</p>
	06/08/2014:	SUPPLY CHAIN MANAGEMENT MONTHLY REPORT FOR JULY 2014	<p>RESOLVED</p> <p>a) That the contents of the report be noted.</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	08/08/2014:	REPORT ON UPGRADING OF INFORMAL TOWNS DUE TO MINING DEVELOPMENTS	RESOLVED: <ul style="list-style-type: none"> a) The Policy and Strategy for Informal Settlement will be developed by National Department of Human Settlement for Moses Kotane Local Municipality to control mushrooming of informal settlements. b) That Municipality to note the four villages as categorised as informal settlements caused by mining operations in various villages. c) That the Municipality to conduct audit/assessment of all informal settlements in areas with mining activities in its jurisdiction to determine the unplanned growth caused by mining operations and clearly state description of informal settlement for submission to the National Department

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>of Human Settlement</p> <p>d) The municipality to note funding allocation by DORA as mentioned above</p> <p>e) The municipality to ensure that all key stakeholders affected are engaged for the smooth running of the projects as it will deliver basic services to the community</p> <p>f) To ensure that the word Informal Settlement is unpacked to for what the municipality will regard areas as not habitable.</p> <p>g) The note the minutes and report done by HDA and that NUSP will appoint service providers for the municipality</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>h) That the attached minutes and reports be noted for further understanding</p> <p>i) That a session for Councillors and Dikgosi be conducted for engagement of the National Upgrading Support Program</p>
	16/09/2014:	<p>IMPLEMENTATION OF THE APPROVED PHASE I OF MUNICIPAL CORPORATE GOVERNANCE ICT POLICY</p>	<p>RESOLVED</p> <p>a) That the Council notes the action plan for the implementation of phase 1 of the MCGICTPF;</p> <p>b) That the Council notes the appointment of the HOD: Corporate Services as the Municipal ICT Governance Champion;</p> <p>c) That the Council notes the approval of the ICT Risk Management policy and the CG ICT Charter;</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			d) That the Council notes the establishment of ICT Steering committee and the appointment of members ICT Strategic Committee;
	18/09/2014:	PROPOSED VILLAGES IN MOSES KOTANE LOCAL MUNICIPALITY FOR ALLOCATION OF 1400 RDP HOUSES	<p>RESOLVED:</p> <p>a) That Council notes the report.</p> <p>b) That Council monitors the implementation of the project.</p> <p>c) That new action plan be developed before implementation to address the backlog.</p> <p>d) That there must be a progress meeting after every second week of the each month.</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	19/09/2014:	<p>PROGRESS REPORT ON UNBLOCKING OF PROJECT SAULSPOORT BY</p> <p>PROVINCIAL DEPARTMENT OF LOCAL GOVERNMENT & HUMAN SETTLEMENT</p>	<p>RESOLVED</p> <p>a) That the report be noted.</p> <p>b) That the Speaker to ensure that councillors submit beneficiary applications.</p>
	20/09/2014:	<p>PROGRESS REPORT ON CONSTRUCTION OF 1400 HOUSES IN VARIOUS VILLAGES BY TANTALASI, HOMES 2000 AND IKATISENG</p>	<p>RESOLVED</p> <p>a) That the report be noted.</p>
	21/9/2014:	<p>REPORT ON THE SUBMISSION OF RECORDS MANAGEMENT POLICY</p>	<p>RESOLVED</p> <p>a) That Council takes note of the policy.</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			b) That Council approves the Records Management policy.
	22/9/2014:	REPORT ON THE SUBMISSION OF RECORDS PROCEDURE MANUAL	RESOLVED a) That Council take notes of the Records Procedure Manual. b) That Council approves the Records Procedure Manual
	23/9/2014:	REPORT ON THE APPOINTMENT OF THE RECORDS MANAGEMENT COMMITTEE	RESOLVED (a) That the report be noted (b) That the committee be workshopped.
	24/9/2014:	REPORT ON THE SUBMISSION OF THE PROVINCIAL ARCHIVES RECORDS MANAGEMENT INSPECTION REPORT	RESOLVED (a) That the report be noted

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			(b) That the remedial action plan be implemented.
	31/09/2014:	SUPPLY CHAIN MANAGEMENT MONTHLY REPORT FOR AUGUST 2014	RESOLVED (a) That the contents of the report be noted.
	32/09/2014:	REPORT ON THE LAUNCH OF LOCAL YOUTH FORUM (WARD-BASED YOUTH FORUM)	RESOLVED a) That the report be noted. b) That the launching of the Local Youth Forum be approved.
	33/09/2014:	REPORT ON THE LAUNCH OF LOCAL OLDER PERSONS FORUM	RESOLVED a) That the report be noted. b) That the launching of the Local Elderly Persons be approved.
	34/09/2014:	PREPARATIONS FOR THE 2015	

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
		STATE OF THE PROVINCE ADDRESS TO BEHELD IN THE MOSES KOTANE LOCAL MUNICIPALITY,AT MORULENG VILLAGE	<p>RESOLVED</p> <p>a) That Council notes the submission and the pronouncement by the Honourable Premier;</p> <p>b) That Council approves that a working team that will be involved in the organization and preparation of the SOPA be established;</p> <p>c) That the team be led from the Office of the Speaker;</p>
	35/09/2014:	PROGRESS REPORT ON THE 2013/2014 AUDIT - NOTES OF THE 1 ST AUDIT STEERING COMMITTEE MEETING HELD	RESOLVED

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
		ON 10 SEPTEMBER 2014	<p>a) That the report on the 2013/2014 audit notes of the 1st audit steering committee meeting held on 10 September 2014 be noted.</p>
	36/09/2014:	REPORT ON THE NORTH WEST PREMIERs CO-ORDINATING COUNCIL MEETING HELD ON 21 AUGUST 2014	<p>RESOLVED</p> <p>b) That the report be noted.</p>
	37/09/2014:	REPORT ON MEETING WITH DIKGOSI	<p>RESOLVED</p> <p>a) That the report be noted b) That the action plan of the resolutions be noted for implementation</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>c) That progress report on the implementation of the action plan be regularly submitted to Council for noting</p> <p>d) That Council notes that provision has been made to allocate Dikgosi with laptops and training thereof during the current financial year</p> <p>e) That Council notes that engagements are being held with the ICT service provider to network the tribal offices with the Municipal Offices</p> <p>f) That the task team comprising Three Dikgosi, Two EXCO Members and three Officials be established to consider and finalise sitting allowances for Dikgosi, budget for events in villages and provision of capacity support for Dikgosi.</p>
	38/09/2014:	FINANCIAL REPORT FOR AUGUST 2014 (8/15/1/2/1)	RESOLVED

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			b) That the financial report for August 2014 be accepted and noted.
	39/09/2014:	INCLUSION OF AUGMENTATION OF THE RUIGHOEK TO MABES-KRAAL PIPELINE	RESOLVED a) Register the proposed new 17 km long 350mm diameter pipeline from Ruighoek to Mabeskraal in the Integrated Development Plan (IDP).
	41/09/2014	1ST IDP PUBLIC PARTICIPATION FOR FINANCIAL YEAR 2015/2016	RESOLVED a) That the revised dates and venues of the 1 st session be noted as attached. b) That the adverts will be placed in all strategic places, local newspapers, Tribal Offices for Community Engagements and the IDP Rep Forum. c) That the Councillors, Ward committees and Community Development Workers training will be held for three days as mentioned above.

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	42/09/2014	REVIEW AND AMENDMENT OF THE ADOPTED IDP FOR THE FINANCIAL YEAR 2015/2016	<p>RESOLVED</p> <ul style="list-style-type: none"> (a) That the Council note the process for the proposed amendment of the IDP for the financial year 2014/2015. (b) That the Council note and approve the prescribed process to be followed to amend the IDP for the financial year 2014/2015 (c) That the Council note and approve new projects to be implemented in the financial year 2014/2015 financial (to be provided by HOD's) (d) That the list of councillors be amended as per Council meeting held on the 08/08/2014, Resolution on item no: 298/08/2014 (Replacement of Cllr PR Motshegoe by Lillian Poloko Lesomo of ANC). (e) Restructuring of Councillors in MKLM Portfolio's members item no: 04/08/2014

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>(f) That item no 02/08/2014 be implemented – Restructuring of representation of MKLM at Bojanala Platinum District Municipality</p> <p>(g) That the review of alignment of KPI's and outer year projects within the adopted 2014/2015 IDP document be approved.</p> <p>(h) That all internal departments will be engaged to forward their outstanding budget programmes to the IDP unit for inclusion in the IDP and for SDBIP.</p> <p>(i) That the Council takes note of the Councillor Workshop as proposed in the attached document.</p>
	43/09/2014	REPORT ON THE WARD DELIMITATION DISTRICT CONSULTATION SESSION	<p>RESOLVED:</p> <p>a) That the report be noted</p> <p>b) That the Town Planning Unit engage the Municipal demarcation Board to verify the current</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>map of the municipal wards</p> <p>c) That the Office of the Speaker invites the Municipal Demarcation Board to make presentation on the ward delimitation to all councillors, Dikgosi and community development workers in the municipal jurisdiction</p> <p>d) That the Office of the Speaker to ensure the establishment of the local demarcation board committee.</p>
	44/09/2014	<p>APPLICATION FOR THE DISPOSAL OF PART OF PORTION 8 OF THE FARM KLIPFONTEIN 60 JQ AND PART OF PORTION 1 OF THE FARM ZUIVERFONTIEN 58 JQ</p>	<p>RESOLVED</p> <p>That the application by Bakubung Minerals (Pty) Ltd – Wesizwe Mine to purchase the subject property in order to develop residential houses be approved subject to the following conditions:</p> <p>a) That the stand be sold to the</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>applicant with the purchase price based on the current value of the stand including all monies already paid by the municipality;</p> <p>b) That the Deed of Sale agreement be signed between the Municipality and the applicant;</p> <p>c) That the subject portion be developed within two (2) years from the date of approval and if the applicant fails the land will then be reverted back to the Council with the same price of purchase;</p> <p>d) That the applicant complies with all the clauses or conditions to be stipulated within the Deed of Sale document;</p> <p>e) That the applicant obtain the environmental authorisation from the relevant authority prior to the development of the site;</p> <p>f) The applicant shall be responsible for the provision and installation of all engineering services required at his own cost to the satisfaction of the municipality;</p> <p>g) The applicant shall be responsible for all costs as a</p>

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			<p>result of this application;</p> <p>h) That the applicant complies with the normal building plan approval, in terms of the National Building Regulations (no construction on site should occur without any building plan approval by the Council);</p> <p>i) Ingress to and egress from the site shall be positioned, designed and constructed to the satisfaction of the Department of Transport, Roads and Community Safety as well as to the satisfaction of the Municipality;</p> <p>j) All conditions of the Moses Kotane Local Municipality services departments shall be complied with.</p> <p>k) That Council must have control and ownership on all infrastructures.</p>
	46/09/2014:	REPORT ON ICASA WORKSHOP	<p>RESOLVED</p> <p>a) That the report be noted</p> <p>b) That interested parties submit comments/inputs to ICASA</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	47/09/2014:	REPORT ON AASA/ ANGLO/ DBSA COMMUNICATION AND BEHAVIOR CHANGE PROGRAMME	RESOLVED a) That the report be noted b) That relevant HODs support the programme and incorporate it into the SDBIPs c) That quarterly progress reports be submitted to Council
	48/09/2014:	PROJECT ALCHEMY FEEDBACK REPORT TO THE PORTFOLIO AND THE EXECUTIVE COMMITTEES	RESOLVED a) That the Council note the presentation and the processes to be followed in implementing the projects. b) That the Municipality will be engaged as and when projects need to be identified and implemented in various villages c) That the Municipality to

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			<p>ensure that affected villages benefit from the project and communities are well informed about their benefits</p> <p>d) That Anglo to ensure that the Municipality is engaged throughout the project implementation</p>
	50/09/2014:	<p>REPORT ON PELLA WATER TREATMENT WORKS UPGRADE PROJECT</p>	<p>RESOLVED</p> <p>a) That the report be noted by the Council.</p> <p>b) That the Council resolved to register the Pella Water Treatment Works Upgrade project in Municipal Integrated Development Plan(IDP)</p>

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			<p>c) Three existing contractors were invited to a briefing and submitted price schedule.</p> <p>d) Toro ya Bakwena was recommended and appointed for the project.</p> <p>e) That the report be included in the SDBIP.</p>
	51/09/2014	<p>REPORT ON REFURBISHMENT OF MADIKWE BULK WATER SUPPLY SYSTEM</p>	<p>RESOLVED</p> <p>a) That the report be noted by the Council.</p> <p>b) That the Council resolves to register the Madikwe Bulk Water Supply System project in Municipal Integrated Development Plan (IDP).</p>

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			<p>c) That contract has been appointed.</p> <p>d) That the report be included in SDBIP.</p>
	52/09/2014	REPORT FOR THE MONTH OF SEPTEMBER 2014 - PROJECT MANAGEMENT UNIT (PMU)	<p>RESOLVED</p> <p>a) That Council notes the report;</p> <p>b) That Council derived with new strategies to address shortcoming in the report;</p> <p>c) That Council facilitates the approval of the budget so as the unit to advertise tenders for construction.</p>
	54/09/2014:	REPORT ON THE BBPCC (formerly NWPCC) MEETING HELD IN 26 SEPTEMBER 2014	<p>RESOLVED</p> <p>a) That the report be noted.</p>
	57/10/2014:	PROGRESS REPORT ON 100 DAYS PROGRAMME	<p>RESOLVED</p> <p>a) That Council takes note of the</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>report</p> <p>b) That priority be given to Fencing as opposed to cleaning</p> <p>c) That the programme be done in Letsema Model through consultation with Dikgosi and Ward Councillors</p>
	61/10/2014:	FINANCIAL REPORT FOR SEPTEMBER 2014 (7/15/1/2/1)	<p>RESOLVED</p> <p>a) That the financial report for September 2014 be accepted and noted.</p>
	62/10/2014:	REPORT ON STORES	<p>RESOLVED</p> <p>a) That the stock surpluses to the value of R R46 453.67 be approved.</p>
	63/10/2014:	SUPPLY CHAIN MANAGEMENT	<p>RESOLVED</p> <p>a) That the contents of the report be</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
		FIRST QUARTER REPORT	noted.
	64/10/2014:	REPORT ON NEWLY ELECTED SAMWU SHOP STEWARDS	<p>RESOLVED</p> <p>a) That note be taken of the confirmed names of newly appointed MKLM SAMWU Shop Stewards submitted by SAMWU Head Office.</p> <p>b) That the composition of the Local Labour Forum be reviewed.</p>
	65/10/2014:	ROADS MASTER PLAN	<p>RESOLVED</p> <p>a) That Council notes the report.</p> <p>b) That the Phase 1 Internal Roads be considered as first priority on the basis that Provincial Roads are passing through these villages.</p> <p>c) That Phase 2 Internal Roads be constructed after the Phase</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			1 roads. d) That the Road Master Plan be included in the IDP
	66/10/2014:	REPORT ON FREE BASIC ELECTRICITY	RESOLVED a) That the report on free basic electricity indigents be noted. b) That the recommendation as reflected in the body of the report be adopted and approved for immediate implementation.
	68/10/2014:	FIRST QUARTERLY PERFORMANCE REPORT FOR JULY TO SEPTEMBER 2014	RESOLVED a) That notice be taken of the contents of the first quarterly performance report for the period July to September 2014.
12 DECEMBER	276/07/2014	THE REQUIRED INSTITUTIONAL	RESOLVED

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2014		ARRANGEMENTS TO RENDER THE MOSES KOTANE LOCAL MUNICIPALITY READY TO IMPLEMENT THE NEW TOWN PLANNING AND LAND USE MANAGEMENT ACT, 16 OF 2013 (SPLUMA)	a) That the report be noted. b) That the proposal to establish a SPLUMA aligned Joint Municipal Planning Tribunal (JMPT) with Kgetleng-Rivier Local Municipality and Moretele Local Municipality be supported. c) That awareness about the new Town Planning legislation called Spatial Planning and Land Use Management Act, 16 of 2013(SPLUMA) be created.
	25/09/2014:	APPLICATION FOR PURCHASE AND DEVELOPMENT OF A PORTION OF ERF 1494 UNIT 4, MOGWASE	RESOLVED That the application by Mr. P.S Maema to purchase a portion of erf 1494 unit 4 Mogwase be approved

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			<p>subject to the following conditions:</p> <ol style="list-style-type: none">1. That 500 m2 site be allocated and sold to the applicant at the market related price;2. That the cost for the appointment of the valuers be at the applicant's account;3. That an agreement of sale be signed between the Municipality and the applicant;4. That the applicant lodge "Rezoning" application after demarcation of the desired site;5. That the site development plan be submitted to the Council for approval;

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>6. That the subject property be paved and demarcated within a period of twenty four (24) months from the date of approval;</p> <p>7. That the applicant submit the Environmental Management Plan before any construction on the property;</p> <p>8. That the applicant complies with all the clauses or conditions to be stipulated within the agreement document and the council resolution;</p> <p>9. That no buildings may be erected on the subject property;</p> <p>10. The applicant shall be responsible for all costs as a result of this application;</p> <p>11. That the applicant ensure</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>compliance with all fire and environmental health requirements and standards;</p> <p>12. That the applicant complies with all relevant legislations;</p> <p>13. That Ingress to and egress from the site shall be positioned, designed and constructed to the satisfaction of the Municipality;</p> <p>14. That where necessary, contributions, in respect of essential services, shall be paid to the Moses Kotane Local Municipality in accordance with Section 63(1) of the Town-Planning and Townships Ordinance, No 15 of 1986;</p> <p>15. That all conditions of the Moses Kotane Local Municipality</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION /S
			services departments shall be complied with.
	27/09/2014	APPLICATION FOR PURCHASE AND DEVELOPMENT OF ERF 1076, UNIT 8 MOGWASE TOWNSHIP.	RESOLVED a) That the Item be referred back pending submission of the Unit 8 audit report.
	51/10/2014:	REPORT ON THE LAND TENURE UPGRADING PROJECTS OF MANTSHO, MOGODITSHANE, MARAPALLO, MANTSERE AND NKOGLWE	RESOLVED That the Executive Committee recommends to Council of Moses Kotane Local Municipality to approve the following resolutions: a) The contents of this report be noted; b) The MKLM conduct a study to determine required basic

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION /S
			services in all affected Villages and prioritize for the provision of such services.
	60/10/2014	APPLICATION FOR THE REZONING OF HOLDING NUMBER 322, KAMEELBOOM (AH) FROM "AGRICULTURAL" TO "SPECIAL" FOR THE PURPOSES OF A FILLING STATION, PLACE OF REFRESHMENT AND SHOPS	<p>RESOLVED</p> <p>That the Council approves the application lodged in terms of section 56(1) of the Town Planning and Townships Ordinance to rezone Holding No 322, Kameelboom AH, from "Agricultural" to "Special" for the purpose of establishing a filling station, shops and place of refreshments, subject to the following conditions:</p> <p>a) The applicant shall be responsible for all costs as a result of this application;</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION /S
			<p>b) The applicant shall be responsible for the provision and installation of all engineering services required at his own cost to the satisfaction of the municipality;</p> <p>c) The applicant to ensure compliance with all fire requirements and standards;</p> <p>d) The applicant complies with the normal building plan approval, in terms of the National Building Regulations (no construction on site should occur without any building plan approval by the Municipality);</p> <p>e) A Site Development Plan shall be submitted to the municipality prior to the approval of the</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>building plans;</p> <p>f) Where necessary, contributions, in respect of essential services, shall be paid to the Moses Kotane Local Municipality in accordance with Section 63(1) of the Town-Planning and Townships Ordinance, No 15 of 1986.</p> <p>g) All stormwater shall be attenuated on site to the satisfaction of the Local Municipality.</p> <p>h) Any alterations or relocation of services resulting from the creation of new access points shall be at the cost of the owner.</p> <p>i) Where the Moses Kotane Local Municipality is not the supplier</p>

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			<p>of electricity the owner shall produce proof to the satisfaction of the Moses Kotane Local Municipality that suitable arrangements for the supply of electricity to the subdivided portions have been made.</p> <p>j) The applicant complies with all the conditions as stipulated on the Environmental Records of Decision;</p> <p>k) Ingress to and egress from the site shall be positioned, designed and constructed to the satisfaction of the Department of Transport, Roads and Community Safety as well as to the satisfaction of the Municipality;</p> <p>l) All conditions of the Moses</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION /S
			Kotane Local Municipality services departments shall be complied with
	70/10/2014:	CLOSURE OF MOSES KOTANE LOCAL MUNICIPALITY OFFICES FOR THE FESTIVE PERIOD AND YEAR END PARTY (2/6)	RESOLVED <ul style="list-style-type: none"> a) That Council Offices be closed from the 22 December 2014 until 05 January 2015 (last working day being 19 December 2014. b) That Essential Services of Council proceed to operate during the break. c) That a list of staff members required to do duty during the break be submitted. d) That the staff required to work during the break be duly credited with commensurate

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			leave days or paid the normal day's salary for the number of working days worked and paid overtime in accordance with legislation.
			e) That the relevant message be publicised through the local newspaper and be properly communicated to the community, clients and stakeholders.
			f) That the year-end party for municipal employees be on the 18 December 2014 and that the Mayor be invited to address the employees.
			g) That the year-end party budget should be an amount not exceeding R100 000.00.

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			h) That the year-end party be held at Mogwase sports centre, unit 1 at 10h00.
	72/10/2014:	REPORT ON THE OCCUPATIONAL HEALTH AND SAFETY COMPLIANCE	RESOLVED a) That the report be noted b) That the Department of Labour during their inspection must also include other public facilities
	73/11/2014:	PROGRESS REPORT ON JOB EVALUATION PROCESS	RESOLVED a) That the report be noted. b) That upon receipt of the Job Evaluation Report presentation will be made to the Portfolio. c) That In-house training be

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			conducted for the Job Evaluation Committee members in order to finalize outstanding 32 employees.
	74/11/2014:	REPORT ON THE IMPLICATIONS OF THE IMPLEMENTATION OF GOVERNMENT GAZETTE No 37500 OF 29 MARCH 2014: UPPER LIMIT OF TOTAL REMUNERATION PACKAGE PAYABLE TO MUNICIPAL MANAGERS AND MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGERS	RESOLVED a) The Council notes the contents and the implications of the implementation of the Government Gazette. b) The Council approves that the Mayor exercises the provisions of paragraph 11 (2) of the Government Gazette in respect of the senior managers positions.

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	80/11/2014:	REPORT ON THE CASE STUDY TRIP TO CITY COUNCIL OF TLOKWE	RESOLVED a) That the report be noted b) That Corporate Branding Manual be developed in line with the procurement plan for 2014/2015 c) That the Communication personnel be capacitated with short courses on graphic design d) That the revenue section assist with compilation of contact database of all rate payers e) That the business subscription service be introduced for immediate communication with communities and stakeholders

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			<p>through short message services</p> <p>f) That Municipality develop its own bill boards and use electric poles for multimedia purposes</p> <p>g) That Annual Mayoral awards for best performers be introduced</p> <p>h) That terms of reference for the Annual Mayoral Awards be developed by Office of the Mayor and submitted for Council's approval.</p> <p>i) That All Councillors and Officials participate in the Perception Survey by filling the questionnaire to evaluate knowledge of Employees and Councillors of the vision, mission, what is the</p>

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			municipality about, assessment of communication channels and departmental meetings.
	81/11/2014:	REPORT ON THE DBSA PROJECT STEERING COMMITTEE MEETING	RESOLVED <ul style="list-style-type: none"> a) That the report be noted. b) That progress reports on the implementation of the project be submitted to Council for noting. c) That relevant Heads of Portfolio Committees be part of the monthly Steering Committee meetings.
	82/11/2014:	SUPPLY CHAIN MANAGEMENT MONTHLY REPORT FOR OCTOBER 2014	RESOLVED <ul style="list-style-type: none"> a) That the contents of the report

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			be noted.
	83/11/2014:	FINANCIAL REPORT FOR OCTOBER 2014 (7/15/1/2/1)	RESOLVED a) That the financial report for October 2014 be accepted and noted.
	84 /11/2014:	SUBMISSION OF AUDITED FIGURES FOR THE PREVIOUS FINANCIAL YEARS 2010/2011, 2011/2012 AND 2012/2013 (7/15/1/2/1)	RESOLVED a) That the report regarding the adjustments on the previous financial years be accepted and approved
	85/11/2014:	ESTABLISHMENT AND SIGNING OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE MUNICIPALITY AND THE	RESOLVED

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		BAKGATLA BA KGAFELA TRIBAL AUTHORITY	<ul style="list-style-type: none"> a) The above report be noted. b) That Council approves that MoU between MKLM and BBKTA be signed by the Hon Mayor and His Royal Highness. c) That a similar document be developed for and signed with the other tribal authorities in the Municipality. d) That Council ensures that other Dikgosi be engaged in this process.
	86/11/2014:	ARBITRATION AWARD: LEGAL DISPUTE – INGWE WASTE AND MAKGADI PROPERTY DEVELOPMENT CC (JOINT VENTURE)	RESOLVED <ul style="list-style-type: none"> a) That notice is taken of the report on the Arbitration Award of the Arbitration Foundation of Southern Africa in the Municipality's dispute with Ingwe

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>Makgadi JV.</p> <p>b) That Council approve the payment of R 3 100 000.00 to the attorneys of Ingwe Makgadi JV, Friedland, Hart, Solomon and Nicolson, in full and final settlement of the entire dispute with the JV.</p> <p>c) That claim 2, 3 and the interest be referred to MPAC for further investigation for possible application of section 32 of the MFMA</p>
	87/11/2014	<p>SETTLEMENT PROPOSAL IN THE ARBITRATION BETWEEN Ms J. MALINGA AND MOSES KOTANE LOCAL MUNICIPALITY</p>	<p>RESOLVED</p> <p>a) That Council approves the report.</p> <p>b) That Council considers the</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			attached Settlement Agreement.
	89/11/2014:	FILLING OF WARD VACANCY BY-ELECTION IN WARD 19	<p>RESOLVED</p> <p>a) That Council approves the appointment of Clr H. K. Kodongo as a Ward Councillor in Ward 19 and as a member of the Moses Kotane Municipal Council.</p> <p>b) That Clr Harry Kgothatso Kodongo be sworn in as a Councillor by the Magistrate of the Mankwe Madikwe Magisterial District.</p>
30 JANUARY 2015	125/01/2015:	DELAYED TABLING OF ANNUAL REPORT 2013/2014 - SECTION 127 of MUNICIPAL FINANCE MANAGEMENT	<p>RESOLVED</p> <p>a) That the report on the delayed</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
		ACT NO 56 of 2003	<p>tabling of the Annual Report of 2013/2014 financial year be noted.</p> <p>b) That the Annual Report for the 2013/2014 financial year be tabled by the Mayor at the Special Council Meeting as soon as possible in terms of Section 127(3)(b) of Local Government: Municipal Finance Management Act, Act No. 56 of 2003</p>
	99/01/2015:	SUPPLY CHAIN MANAGEMENT MONTHLY REPORT FOR NOVEMBER 2014	<p>RESOLVED</p> <p>a) That the contents of the report be noted.</p> <p>b) That tenders be considered to a sole providers for a specific period to avoid deviations.</p>
	100/01/2015:	SUPPLY CHAIN MANAGEMENT SECOND QUARTERLY REPORT	<p>RESOLVED</p> <p>a) That the contents of the report be noted.</p> <p>b) That tenders to be considered to sole providers for a specific period to address issue of deviations.</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	101/01/ 2015:	FINANCIAL REPORT FOR NOVEMBER 2014	RESOLVED <ul style="list-style-type: none"> a) That the financial report for November be accepted and noted b) That the Speakers Office to submit the Upper Limit for Councillors to Council further engagement on Travelling Allowances versus Usage of Council vehicles by Councillors. c) That Management must ensure that Job Cards are submitted with allocated specific work to be performed to address over
	102/01/2015:	FINANCIAL REPORT FOR DECEMBER 2014 (7/15/1/2/1)	RESOLVED <ul style="list-style-type: none"> a) That the financial report for December 2014 be accepted and noted.
	103/01/2015:	REVIEW OF THE COMPOSITION AND RENAMING OF ASSETS DISPOSAL	RESOLVED <ul style="list-style-type: none"> a) That the contents of the report be noted.

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION /S
		COMMITTEE.	b) That the committee be renamed "Asset Management and Disposal Committee. c) That the composition of the committee be enhanced by adding other members. d) That the below committee additional members as proposed be approved. <ul style="list-style-type: none"> • Mr E Motaung : Acting HOU Town Planning • Mr Puso Ntokwe : HOU: Water and Rural Sanitation • Mr Mothei Ramagaga: Manager Infrastructure assets / Immovable Assets.
	104/01/2015	SUPPLY CHAIN MANAGEMENT MONTHLY REPORT FOR DECEMBER 2014	RESOLVED a) That the contents of the report be noted.
	105/01/2015	MID-YEAR BUDGET PERFORMANCE ASSESSMENT REPORT FOR THE PERIOD 31 DECEMBER 2014	RESOLVED a) Council notes the Mid-Year Budget and Performance Assessment Report for the

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>2014/15 Financial Year in terms of S72 of the MFMA and the Supporting Documentation attached as Annexures</p> <p>b) Council considers the financial state of affairs of the Municipality as reflected in this report and takes note of the low collection rate for the first six months of the year leading to cash flow challenges.</p> <p>c) Council considers the tabling of an adjustment budget not later than 28 February 2015.</p>
	106/01/2015:	SECOND QUARTERLY CONSOLIDATED PERFORMANCE REPORT FOR THE PERIOD OCTOBER TO DECEMBER 2014	<p>RESOLVED</p> <p>a) That notice be taken of the contents of the second quarterly consolidated performance report for the period October to December 2014.</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	111/01/2015:	MPAC PROGRAM FOR THE PUBLIC HEARINGS ON THE ANNUAL REPORT 2013/2014	RESOLVED a) That Council approves the MPAC Public Hearings Programme for the Annual Report 2013/2014.
09 FEBRUARY 2015	108/01/2015:	ANNUAL REPORT FOR 2013/2014 FINANCIAL YEAR	RESOLVED a) That Council considers and notes the contest of the annual report for report 2013/2014 financial year. b) That MPAC facilitate the oversight processes for the purpose the annual report 2013/2014. c) That the Accounting Officer in accordance with Section 21A of the Municipal System Act: i. Make public notice of

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			<p>the annual report</p> <p>ii. Invite the local community to representations in connection with Annual Report.</p> <p>iii. Submit the report to the Auditor General, Provincial Treasure and Nation Treasure.</p>
	118/01/2015:	REPORT ON THE REBURIAL OF THE LATE MOSES MAUANE KOTANE.	<p>RESOLVED:</p> <p>a) That the report be noted.</p>
	119/01/2015:	REPORT ON THE MKLM BACK TO BASIC DOCUMENT	<p>RESOLVED</p> <p>a) That the report be noted.</p> <p>b) That task team comprising five Councillors and Officials be nominated to oversee implementation of the Back To Basics Programme</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	120/01/2015:	REPORT ON THE BBPCC MEETING HELD ON THE 14 JANUARY 2015.	RESOLVED: a) That the report be noted b) That the Premier's directives on paragraph 4 on the notes of the BBPCC be monitored c) The Municipal Manager submits regularly reports on the implementation of the Premier's directives
	121/01/2015:	REPORT ON PLENARY MEETING OF THE STATE OF THE PROVINCE ADDRESS 2015	RESOLVED: a) That the report be noted b) That the speaker nominates three councillors who will be part of preparatory meetings

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	145/02/2015:	SUMMIT FOR MPLEMENTATION OF INTERGRATED WARD BASED PLANNING	RESOLVED: <ul style="list-style-type: none"> a) That the proposed date by the office of the Premier be on the Monday, 16 February 2015. b) That the expected number of stakeholders is 300. c) That the Office of the Speaker to assist in mobilisation of the stakeholders required. d) That the venue be noted as ideal venue. e) That the Bojanala district municipality will cater for breakfast, lunch and PA system, and the Office of the Premier will cater for transport and other logistical arrangements, quotations will be sourced by the municipality and be forwarded to them for transport. f) That all the summits at local level be done before Provincial Lekgotla which is scheduled for 17-18 February 2015

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	152/02/2015:	SECONDMENT OF MOSES KOTANE MUNICIPAL MANAGER TO NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY	RESOLVED: <ul style="list-style-type: none"> a) That Council takes note of the request by the MEC for the Department of Local Government and Human Settlements for the secondment of the Moses Kotane Local Municipal Manager to Ngaka Modiri Molema District Municipality; b) That Council approves the request of the MEC; c) That the secondment takes effect from the 2nd March 2015.
	153/02/2015:	APPOINTMENT OF ACTING MUNICIPAL MANAGER DURING THE SECONDMENT OF MUNICIPAL MANAGER	RESOLVED: <ul style="list-style-type: none"> a) That Council approves the appointment of Mr P. P

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			Shikwane to act as Municipal Manager for the period that Ms S. R Dince will be seconded to the Ngaka Modiri Molema District Municipality for a maximum period of 6 months
27 FEBRUARAY 2015	158/02/2015:	ADJUSTMENTS BUDGET 2014/2015 (15/1/1/) (2014/2015)	RESOLVED: That in terms of Section 28(2) of the Municipal Finance management Act, 2003 (Act 56 of 2003) the proposed 2014/2015 Adjustment Budget be approved as set out in the following tables as contained in Annexure A: 4.11 Adjustments Budget summary. B1 4.12 Adjustments Budget Financial Performance. (standard classification)B2 4.13 Adjustments Budget

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>Financial Performance. (revenue and expenditure by municipal vote)B3</p> <p>4.14 Adjustments Budget financial performance. (revenue and expenditure)B4</p> <p>4.15 Adjustments Capital Expenditure Budget by vote and funding. B5</p> <p>4.16 Adjustments Budget Financial Position. B6</p> <p>4.17 Adjustment Budget Cash Flows. B7</p> <p>4.18 Cash backed reserves/accumulated surplus reconciliation. B8</p> <p>4.19 Asset Management. B9</p> <p>4.20 Basic service delivery measurement. B10</p> <p>4.21 That in terms of section 54 of the MFMA the SDBIP for financial year 2014/2015 be revised accordingly and be submitted to council after the approval of the adjustment budget.</p> <p>4.22 That the SIDBIP's of all</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			Departments be included in the Adjustment Budget 2014/2015
30 MARCH 2015	202/03/2015:	DETERMINATION OF UPPER LIMITS FOR REMUNERATION OF DIFFERENT MEMBERS OF THE MUNICIPAL COUNCIL SALARIES, ALLOWANCES AND BENEFITS OF COUNCILLORS FOR THE FINANCIAL YEAR 2014/15	RESOLVED <ul style="list-style-type: none"> (a) That council be paid the upper limits determined in the Government Gazette No. 38608 dated 25 March 2015 according to a Grade 3 Municipal Council. (b) That councillors who will be receiving the travelling allowance should keep a log book for the running cost separating business and personal trips (c) That councillors who wishes to include housing allowance in their salary structure should submit written particulars of the property. (d) That all councillors be paid cell phone allowance of R 1 739.00 per month (e) That the mobile data be

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>allocated to all Councillors who have been allocated lap tops by the municipality to the maximum amount of R 300.00 per month.</p> <p>(f) That special risk cover be implemented with effect 2014/2015 budget after the following processes has been followed:</p> <ul style="list-style-type: none"> • Councillors have submitted their property details • The Municipal Valuer has evaluated their properties to determine the value to be used for the cover <p>(g) That the council contributes towards capacity building of Councillors.</p> <p>(h) That the Municipal Manager implement the upper limits retrospectively with immediate effect subject to concurrence by the MEC for Local</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			Government in the North West Province.
	77/11/2014:	PROGRESS REPORT ON SUNFLOWER PROJECT	RESOLVED <ul style="list-style-type: none"> a) That the Council takes note of this report. b) That the final business plan be noted
	78/11/2014:	PROGRESS REPORT ON COMMUNITY WORKS PROGRAMME (CWP)	RESOLVED <ul style="list-style-type: none"> a) That the Council takes note of this report. b) That the Municipality be actively involved including the oversight role in the programme. c) That the Council notes the

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			increased numbers of 136 beneficiaries as determined by the department.
	88/11/2014:	PROPOSED DISPOSAL OF COUNCIL LAND FOR THE PURPOSES OF RESIDENTIAL DEVELOPMENT AND BUSINESS NODAL.	RESOLVED a) That the item be deleted from the agenda
	91/12/2014:	NON COMPLIANCE TO IDP/PMS AND BUDGET PROCESS PLAN FOR FINANCIAL YEAR 2015/2016	RESOLVED a) That Council to note that the first IDP Representative forum was not held due to date change. b) That delay in finalization of Mogwase session is of concern to the unit and the plans. c) The IDP Rep Forum planned on the 04 December will not be held and Proposed date is the 09 December 2014 d) That the time left will

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>continue to raise Audit query to review all challenges as responded to the Audit Query communications 9 and Annual Report 2012/2013 Financial Year.</p> <p>e) That the plan be tabled to all Portfolio's to note the importance of Legislative Compliance and Consequences (Non-compliance may lead to invoking section 139)</p>
	110/01/2015:	<p>IDP PUBLIC CONSULTATION</p> <p>PROCESS 2015/2016</p>	<p>RESOLVED</p> <p>a) That Council to note that the IDP sessions are not yet complete, 10 sessions are done we are left with 1 session (Mogwase ward 10, 13, 15).</p> <p>b) That an updated report will be incorporated once all the sessions are done.</p> <p>c) That Council recommends a</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			date for the outstanding wards in order to complete the consultation process for financial year 2015/2016.
	117/01/2015:	REPORT ON SEFIKILE COMMUNITY HALL	RESOLVED <ul style="list-style-type: none"> a) That Council take note of the report. b) That Council recommend that the community hall that was supposed to be built at Sefikile must be moved to Mmorogong village-Ward 27. c) That additional funding for the completion of the projects be made available
	123/01/2015:	MOSES KOTANE LOCAL MUNICIPALITY ENTREPRENEURIAL JOB SUMMIT (10 - 11 MARCH)	RESOLVED <ul style="list-style-type: none"> a) That Council takes note of the Entrepreneurial Job Summit Job Summit that is scheduled to take place on the 10- 11 March 2015 and be supported.

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	126/02/2015:	COMPILATION OF THE NEW GENERAL VALUATION ROLL FOR THE MUNICIPALITY IN TERMS OF THE LOCAL GOVERNMENT: MUNICIPAL PROPERTY RATES ACT, 2004, AS AMENDED (5/2/2)	RESOLVED a) That notice is taken of the report on the preparation of the new general valuation roll in terms of the Local Government: Municipal Property Rates Act, 2004 as amended, for the period 1 July 2016 to 30 June 2021. b) That in Terms of Section 31 of the Local Government Municipal Property Rates Act, 2004 as amended, the valuation date for the period 1 July 2016 to 30 June 2021 general valuation roll be determined as 1 July 2015. c) That the competitive bidding process be embarked on for the appointment of a Municipal Valuer for compilation of the new general valuation roll for the period 1 July 2016 to 30 June 2021.

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	128/01/2015:	REPORT ON IMPLEMENTATION OF THE INTEGRATED CORPORATE CALENDAR 2014/2015	RESOLVED <ul style="list-style-type: none"> a) That the report be noted b) That departments take full recognition of the adopted calendar and adhere to the dates on the adopted corporate calendar as the framework of coordination.
	130/02/2015:	REPORT ON THE TRANSFER OF PORTION 6 OF THE FARM MORSGAT 189JP IN MADIKWE MAGESTERIAL DISTRICT, NORTH WEST PROVINCE TO THE MOSES KOTANE LOCAL MUNICIPALITY.	RESOLVED <ul style="list-style-type: none"> a) That the Council to note the report. b) That Moses Kotane Local Municipal Council approved the report.
	132/02/2015:	PROGRESS REPORT ON IMPLEMENTATION OF COUNCIL RESOLUTIONS: 1 JULY 2014 TO 30 JUNE 2015	RESOLVED <ul style="list-style-type: none"> a) That the progress report on implementation of council

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			resolutions for the period 1 July 2014 to 31 January 2015 be noted.
	133/02/2015:	APPOINTMENT ON THE JOB EVALUATION PROVINCIAL AUDIT COMMITTEE	RESOLVED a) That the report be noted. b) That the report following the meeting be submitted to the relevant municipal committee.
	136/02/2015:	PROGRESS REPORT ON BURSARY AWARDED FOR MOSES KOTANE LOCAL MUNICIPALITY EMPLOYEES FOR FINANCIAL YEAR 2014/2015	RESOLVED a) That the report be noted. b) That the outstanding amount be utilized for employees who would submit their application before June 2015 .
	137/02/2015	REPORT ON TRAINING OF TRAINING/EMPLOYMENT EQUITY COMMITTEE REPRESENTATIVES: OD ETDP QUALIFICATION	RESOLVED a) That the report be noted.
	147/02/2015:	CUSTOMER SATISFACTION	RESOLVED

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
		SURVEY QUESTIONNAIRE TEMPLATE	a) That the questionnaire be noted b) That the all Inputs be submitted to the HOD's office. c) That the final customer Survey questionnaire be approved
	149/02/2015:	SUPPLY CHAIN MANAGEMENT MONTHLY REPORT ENDING JANUARY 2015	RESOLVED a) That the contents of the report be noted.
	159/02/2015:	FINANCIAL REPORT FOR JANUARY 2015 (7/15/1/2/1)	RESOLVED a) That the financial report for January 2015 be accepted and noted.
	161/02/2015:	MOSES KOTANE LOCAL MUNICIPALITY EPWP POLICY.	RESOLVED a) That notice and

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			consideration of the draft policy be taken. b) That the policy be adopted as a working document that will guide EPWP.
	165/02/2015:	REPORT ON FREE BASIC ELECTRICITY	RESOLVED a) That the report on free basic electricity indigents be noted b) That the recommendation as reflected in the body of the report be adopted and approved for immediate implementation.
	168/02/2015:	REVISED TOP LAYER SERVICES DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) FOR 2014/2015 FINANCIAL YEAR	RESOLVED a) That Council approves the revised Top Layer Service Delivery and Budget Implementation Plan for 2014/2015 Financial Year.

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	181/03/2015:	REQUEST FOR THE APPOINTMENT OF ACTING HEAD OF CORPORATE SERVICES DEPARTMENT	RESOLVED <ul style="list-style-type: none"> a) That the request for the appointment of Ms T.J Jalvan as the acting HOD Corporate Services be approved by council.
	186/03/2015:	DRAFT IDP/BUDGET AND 2ND COMMUNITY CONSULTATIONS PROCESS 2015/2016	RESOLVED <ul style="list-style-type: none"> a) That Council to note the draft IDP for the Financial year 2015/2016 and 2nd date of Community Consultations as adopted in the Process Plan. b) That the Council to note the outstanding information of identifying projects to be funded by the mines, the MTREF (Budget) is not included in the draft IDP.

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>c) That the MEC's comments session held in Mogwase chamber with the Province recommended municipality's to only note and reflect new information.</p> <p>d) The organisational structure is the process of the review by all internal departments and will be incorporated before IDP adoption by end May.</p> <p>e) That the advert for comments and inputs on the draft IDP will be published in the local newspaper for 21 days after March.</p>
	196/03/2015:	FINANCIAL REPORT FOR FEBRUARY 2015 (7/15/1/2/1)	<p>RESOLVED</p> <p>a) That the financial report for February 2015 be accepted and noted.</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
	197/03/2015:	REPORT ON FREE BASIC ELECTRICITY	RESOLVED <ol style="list-style-type: none"> That the report on free basic electricity indigents be noted That the recommendation as reflected in the body of the report be adopted and approved for immediate implementation.
	198/03/2015:	DRAFT BUDGET AND MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK 2015/2016 TO 2017/2018 (5/1/1-2015/2016)	RESOLVED <ol style="list-style-type: none"> That the draft annual budget of the municipality for the financial year 2015/16 and the multi-year and single-year capital appropriations as set out in the attached tables be approved. That the Council of Moses Kotane Local Municipality,

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION /S
			<p>acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2015:</p> <p>2.1 the tariffs for property rates – as set out in Annexure B</p> <p>2.2 the tariffs for the supply of water – as set out in Annexure A</p> <p>2.3 the tariffs for sanitation services – as set out in Annexure A</p> <p>2.3 the tariffs for solid waste services – as set out in Annexure A</p> <p>2.4 the tariffs for other services – as set out in Annexure A</p> <p>3. That the salaries for officials and section 56 managers be adjusted with</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>effect from 1st July 2015 based on the percentage as approved by the South African Local Government Bargaining Council.</p> <p>4. That the amendments to the Budget related policies be approved as indicated in the policy documents hereto attached.</p>
08 April 2015	MPAC 205/04/2015:	<p>MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OVERSIGHT REPORT ON THE ANNUAL REPORT 2013/2014 FINANCIAL YEAR</p>	<p>RESOLVED:</p> <ul style="list-style-type: none"> a) That Council takes note of the Municipal Public Accounts Committee's oversight report. b) That Council approved the Oversight report. c) That Council approved the 2013/2014 annual report with reservations. d) That the Oversight Report be made public in accordance with section 123 (3) of the MFMA. e) That the Oversight Report be

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>submitted to the Provincial Legislature in accordance with section 132 (2) of the MFMA.</p> <p>f) That Council review reasons for failing to table the Annual Report 2013/2014 on time as prescribed by Section 127 of the MFMA within 90 days after the tabling of the Oversight Report.</p> <p>g) That Council in terms of Sect 32 (2) (b) of the MFMA investigate in the case of irregular, fruitless, unauthorized and wasteful expenditure.</p> <p>h) That the Accounting Officer report back to MPAC on a quarterly basis on the progress of the action plan to address Auditor General's Findings.</p> <p>i) That MPAC engage the portfolio committees on a quarterly basis to check implementation of the SDBIP's</p>
29 MAY		INCLUSION OF PROJECTS IN THE INTERGRATED DEVELOPMENT PLAN	RESOLVED

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION /S
2015	210/04/2015:	(IDP) 2015-16	<ul style="list-style-type: none"> a) That Council take note of the request b) That Council approves the inclusion of the abovementioned projects in the current IDP c) That Council approves immediate implementation of the abovementioned projects d) That comprehensive report on all ground water optimization projects be submitted by Pro Plan Consulting from Pro Plan progress report on all water projects e) That sufficient consultation with relevant stakeholders be done and memorandum of understanding must be entered into.
	235/05/2015	INTRODUCTION OF MUNICIPAL WATER INFRASTRUCTURE GRANT (MWIG)	<p>RESOLVED</p> <ul style="list-style-type: none"> a) That the Council takes note of the MWIG Programme and its conditions b) That the Council concedes the option of ceding the

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>appointment of Pro-plan to Magalies Water</p> <p>c) That Council notes the ceding of Pro-Plan Consulting over to Magalies Water Board</p> <p>d) That Magalies Water Board be requested to submit a roll out plan to the Municipality with regard to the implementation of the MWIG Programme.</p>
	242/05/2015	THIRD QUARTERLY CONSOLIDATED PERFORMANCE REPORT FOR THE PERIOD JANUARY TO MARCH 2015	<p>RESOLVED</p> <p>a) That notice be taken of the contents of the second quarterly consolidated performance report for the period January to March 2015.</p> <p>b) That action be taken to deal with late submission of reports by departments</p> <p>c) That departments adhere to the SDBIP as per reporting template</p> <p>d) That departments ensure that POE's are attached to the reports submitted</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			e) That the weekly provincial Back to Basic document be shared with Portfolio Heads for monitoring purposes.
	243/05/2015	AMENDED DRAFT INTEGRATED DEVELOPMENT PLAN (IDP) DOCUMENT, AND THE REPORT FOR IDP 2 ND SESSION FOR THE FINANCIAL YEAR 2015/2016	<p>RESOLVED</p> <p>(a) That the Council note the amended IDP document and the report for IDP 2nd session for the financial year 2015/2016.</p> <p>(b) That only budgeted projects are kept in the document and resolutions for different projects will be requested as an when funding is received from stakeholders.</p> <p>(c) That the final Draft IDP be noted for Council to adopt it by the 29th May 2015.</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>(d) That the office of the Speaker to help intensify mobilization during the next session of IDP Public Participation especially in areas where attendance was poor.</p> <p>(e) That the office of the Mayor develop Imbizo programme for areas where attendance was poor inclusive of standing programme of Unit 8.</p>
	245/05/2015:	BUDGET AND MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK 2015/2016 TO 2017/2018 (5/1/1-2015/2016)	<p>RESOLVED</p> <p>1. That the annual budget of the municipality for the financial year 2015/16 and the multi-year and single-year capital appropriations</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>as set out in the attached tables be approved.</p> <p>2. That the Council Moses Kotane Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2015:</p> <p>2.1 the tariffs for property rates – as set out in Annexure B</p> <p>2.5 the tariffs for the supply of water – as set out in Annexure A</p> <p>2.3 the tariffs for sanitation services – as set out in Annexure A</p> <p>2.6 the tariffs for solid waste services – as</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			<p>set out in Annexure A</p> <p>2.7 the tariffs for other services – as set out in Annexure A</p> <p>3. That the salaries for officials and section 56 managers be adjusted with effect from 1st July 2015 based on the percentage as approved by the South African Local Government Bargaining Council.</p> <p>4. That the amendments to the Budget related policies be approved as indicated in the policy documents hereto attached.</p> <p>5. That the salaries and allowances of councillors be adjusted with the percentage approved by Minister for Cooperative Governance and Traditional Affairs in terms of the Remuneration of Public</p>

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MONTH	ITEM No.	ITEM DESCRIPTION	RESOLUTION/S
			Bearers Act, 1998 after concurrence of the responsible MEC have been obtained.
	247/05/2015	DRAFT TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) FOR 2015/2016 FINANCIAL YEAR	RESOLVED <ul style="list-style-type: none"> a) That Council takes note of the Draft Top Layer SDBIP for 2015/2016 financial year. b) That signing ceremony of Head of Departments be arranged.

The above resolutions are taken by Council through recommendations of EXCO. EXCO considers submissions made by the various Portfolio committees. Management sees to the implementation of the resolutions. The above resolutions have been implemented.

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2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

Section 82 of the Municipal Structure Act 117 of 1998 amended that the Municipality must appoint the Municipal Manager, who is the head of Administration and therefore Accounting Officer.

Section 51(i) of the Systems Act states that the municipality must organise its administration in a manner that enables it to hold the Municipal Manager accountable for the overall performance of the municipality.

Municipal Manager must manage the communication between the political structure and office-bearers and the administration (S 55(1) (j) of the Systems Act). The Municipal Manager has to exercise responsibilities subject to the policy directions of the Council. As the Accounting Officer, the Municipal Manager is also responsible for all income and expenditure, all assets and discharge of liabilities of the municipality and the compliance with the municipal finance management legislation.

In terms of section 55 of the Local Government: Municipal Systems Act 32 of 2000, as amended the Municipal Manager as head of administration is subject to policy directives of the Municipal Council responsible for the formation and development of an efficient, economical, effective and accountable administration and must manage the municipality in accordance with all legislation and policies pertaining to Local Government. In terms of Section 54 of Local Government: Municipal Systems Act 32 of 2000, as amended, the Council in consultation with the Municipal Manager must appoint managers who are directly responsible to the Municipal Manager and who must have the relevant and requisite skills and expertise to perform the duties associated with the posts they each occupy.

The Acting Municipal Manager and Head of Departments form the Senior Management core and all Head of Departments are accountable to the Acting Municipal Manager in terms of strategic management and oversight of their departments. All budget expenditure in each department is managed by the relevant Head of Departments in order to ensure that service delivery matters are handled quickly.

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TOP STRUCTURE



Mr P. Shikwane
Acting Municipal
Manager




As head of administration and Accounting Officer of the municipality the Acting Municipal Manager is subject to the policy directions of the municipal Council and is responsible and accountable for duties and responsibilities outlined under Section 55 of the Local Government: MSA, Act 32 of 2000, as amended and any other relevant duties as may be delegated by the Mayor and Council



Ms T. Jalvan
Acting Head of
Department: Corporate
Services

The Acting Head of Department is responsible for establishing and maintaining structures, with the parameters of legality and good governance, that will provide Administration that is appropriately relevant, Legal Support, Human Resource Management; and IT

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	Ms O Ndlovu Chief Financial Officer	This Department is responsible for ensuring effective and efficient strategic management of the finance portfolio, which includes budgetary management, financial accounting management, SCM, Credit Control Management, investment and banking, treasury management, and risk management.
	Mr T Chiloane Head of Infrastructure & Technical services	This Department is responsible for all Water, Sanitation, Electricity and Roads Services of the Municipality as well as well-established and well maintained infrastructure that will stimulate growth, resulting in a broader income base, and that will encourage taxpayers to sustain payments because of well-established and well-maintained infrastructure
	Mr C Molokoane Head of Department: Community Services	This Department is responsible for Environmental and Waste Management, Traffic, Security and Library Services

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Mr. A Sefanyetso
Head of Department:
Planning &
Development

This Department is responsible
for Housing, Town Planning LED
Services

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COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The municipality shares platform with and at the following forums:

- Provincial sector departments and private sector stakeholders through (but not limited to) the IDP representatives forums. Other engagements are held as and when necessary.
- SALGA working committee groups where respective councillors attend;
- Provincial Municipal Managers' forum;
- District IGR forum
- Provincial Communicators' forum

The municipality was identified as one of 7 pilot municipalities by the Department of Local Government and Traditional Affairs for the LG Management Improvement Model assessment, which is a self-assessment process on the management practices and work place capabilities, moderated by the Provincial Department.

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COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

MPAC is established in terms of section 79 of the Municipal Structures Act and performs an oversight function on behalf of Council.

MPAC undertakes and manages similar functions and responsibilities for the municipalities, as undertaken by the Standing Committee of Public Account in the national and provincial legislatures, except for certain powers regarding subpoena of individuals. In the case of any irregular expenditure or any fruitless and wasteful expenditure incurred by the municipality or municipal entities, the MPAC has the right to call upon the Accounting Officer of the Municipality or the Chairperson of the municipal entity's board of Directors to appear before it to provide information or clarity.

The MPAC may engage directly with the public and consider public comments when received and are entitled to access documents or evidence from the Acting Municipal Manager.

Section 129(4) of the MFMA further provides for the issuance of guidance on the manner in which municipal councils should consider annual reports and conduct public hearing, and the functioning and composition of any public accounts or oversight committees established by the council to assist it to consider an annual report.

2.3 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

Public communication and participatory initiatives :

The adopted communication strategy has an action plan that makes provision for communication with all internal and external stakeholders. Current communication forums initiatives are as below:

Internally the following mechanisms are used:

- Internal memo for notices, announcements
- Short message service
- Emails
- Notice boards
- Policy workshops, information sharing sessions and training

For external communication we use the following channels

- Public notices
- Municipal Newsletter which reflects on council decisions, programmes public participation and events
- Loud hailing
- Media liaison - MKLM uses both the electronic/ print media, both mainstream and community for effective communication with communities and stakeholders. However there is only one community radio station within the municipal jurisdiction. As a result, the municipality has to use national and community media which can hamper communication efforts.

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The municipality's website has been revamped and populated with information though there are still challenges relating to timeous updating thereof especially with regard to legislative prescriptions.

No opinion surveys have been conducted.

LGMSA 2000, Chapter 5 and Section 28(1) and 29 indicate the following:

Preparation of a Process Plan for annual review is reflected below:

2.1.1 *Section 28 (1) each municipal council within a prescribed period after the start of its elected term, must adopt a process set out in writing to guide the planning, drafting, adoption and review of its Integrated Development Plan.*

- Chapter 4 indicates that the municipality must through appropriate mechanisms, processes and procedures consult its local community before adopting the process.
- The Municipality must also give notice to the local community of particulars of the process it intends to follow.

2.1.2 *Section 29 (1) indicates the process to be followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft plan must:*

- (a) Be in accordance with a predetermined programme specifying timeframes for different steps
- (b) Through appropriate mechanisms process and procedures establish in terms of chapter 4, as follows:
 - I. The local community to participate in the drafting of the integrated development plan, and
 - II. Organs of state, including traditional authorities and other role players to be identified and consulted on the drafting of the IDP
 - III. The local community to be consulted on its developmental needs analysis and priorities
- (c) To provide for the identification of all plans and planning requirements binding on municipality in terms of national and provincial legislation, and
- (d) Be consistent with any other matter that may be prescribed by regulation

Sessions for public consultation are held twice in a year in all 109 villages. The 31 wards are grouped in 12 clusters where wards are grouped in one venue for needs analysis and priority projects discussions around the first consultations.

The second consultations are confirmations and discussions on the approved budget for implementation of the development of the Service Delivery and Budget Implementation Plan. The same cluster system is used but venues are changed to ensure all wards and villages are considered.

During the course of the year, comments and questions are received and are addressed during meetings of community representatives and Councillors.

Mining houses are engaged with the development of social labour plans. Where feasibility studies have not been undertaken challenges arise. Sector departments are also engaged but they do not adhere to the needs analysis and they impose projects in our communities sometimes without the municipal knowledge or them reflected in the IDP document. All the steering committee meetings and forums are held quarterly. And engagements are encourages for our communities to see the municipality in which they receive a hearing when requested.

Public participation has involved communities in various activities such as policy formulation, budgeting, identification, implementation and monitoring of projects. It has improved in such a way that it created the need for the community to learn more about their rights, and to understand local

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government and the constraints under which it functions.

Public participation has assisted in ensuring that resources are employed where they are most wanted and needed. It has allowed affected people to make decision regarding issues that affects them openly. But the challenge continues where communities find it difficult that their needs are not met and the municipality is not delivering as required.

Needs are endless and challenge is budget constraint in all 107 villages. The community have ownership of the documents and projects implemented in their areas as they were consulted on them.

Forums:

Currently there is no coordinated and integrated approach for service delivery forums hence departments are individually handling their own sector forums where there is always duplication of programmes and issues of mutual interest.

2.4 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	

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COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

There is an established Municipal Public Accounts Committee and a shared Audit Committee in place and functional. There is compliance with legislation and regulations that govern the municipality. The municipality ensures that there is accountability and transparency in the running of its affairs. The municipality also engages its stakeholders in identification of their needs during public participation.

2.5 RISK MANAGEMENT

RISK MANAGEMENT

In the 2014/2015 financial year the municipality held a risk assessment workshop in which strategic risks were identified. The top five risks identified are 1) non-compliance with legislation, regulation and contract; 2) loss of income; 3) Lack of coordination of potential local economic development opportunities; 4) Ineffective change management; and 5) Poor quality infrastructure. The municipality has budgeted for the implementation of risk management in the 2015/2016 financial year

2.6 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

For the year under review, the municipality did not have a fraud and anti-corruption plan or strategy. There was however participation during the Provincial engagements.

Financial control measures are implemented to ensure that managers take accountability for transactions entered into, where the managers have to vouch for services being rendered and goods delivered before payment is made. Managers sign payroll sheets on a monthly basis to vouch for employees on the payroll.

There is monthly reporting and monitoring on procurement procedures compliance and corrective measures are taken to improve performance. The municipality has bid committees where none of the councilors take part.

The municipality utilizes the services of the Bojanala Platinum District Municipality Audit Committee. No cases of fraud or corruption were reported in the current financial year.

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2.7 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

There has been improvement in terms of the implementation of the municipal SCM policy in the last financial year 2014/2015.

Section 117 of the MFMA (act no.56 of 2003) is fully compliant with. Not all officials in the SCM has reached the minimum competency levels. Three of the practitioners attended training on MFMA competency level in the 2014/2015 financial year.

2.8 BY-LAWS

COMMENT ON BY-LAWS:

MSA 2000 s11 (3) (m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.

No new by-laws were introduced during 2014/15

2.9 WEBSITES

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	
All current budget-related policies	Yes	
The previous annual report (2013/14)	Yes	
The annual report (2014/15) published/to be published	No	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2014/15) and resulting scorecards	Yes	
All service delivery agreements (2014/15)	Yes	
All long-term borrowing contracts (2014/15)	No	
All supply chain management contracts above a prescribed value (give value) for 2014/15		
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	No assets Disposes	
Contracts agreed in 2014/15 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	
Public-private partnership agreements referred to in section 120 made in 2014/15	No	
All quarterly reports tabled in the council in terms of section 52 (d) during 2014/15	Yes	

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Training for all finance staff will be conducted on submission of information.

2.10 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

No public satisfaction surveys were carried out on municipal service delivery.

Chapter 3

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

INTRODUCTION

Moses Kotane Local Municipality is both a Water Service Authority and a Water Service Provider. The Municipality's water supply consists of 75% surface water from Magalies and 25% of underground water. The bulk of the water is from the Vaalkop Water Treatment Plant which is operated by the Magalies Water Board and supplies the areas on the eastern side (Mankwe) of the Municipality. The western side (Madikwe) of the municipality is mostly reliant on underground water.

COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); and a summary of free basic services.

INTRODUCTION TO BASIC SERVICES

Magalies Water Board supplies Moses Kotane Local Municipality with bulk water which is not sufficient to meet the demand.

Challenges

- Ageing of Infrastructure
- Lack of funding
- Shortage of skilled personnel
- Theft and Vandalism(borehole equipment)
- Boreholes Drying out
- Water Loss
- Lack of Call Centre
- Delays on appointment of personnel

Chapter 3

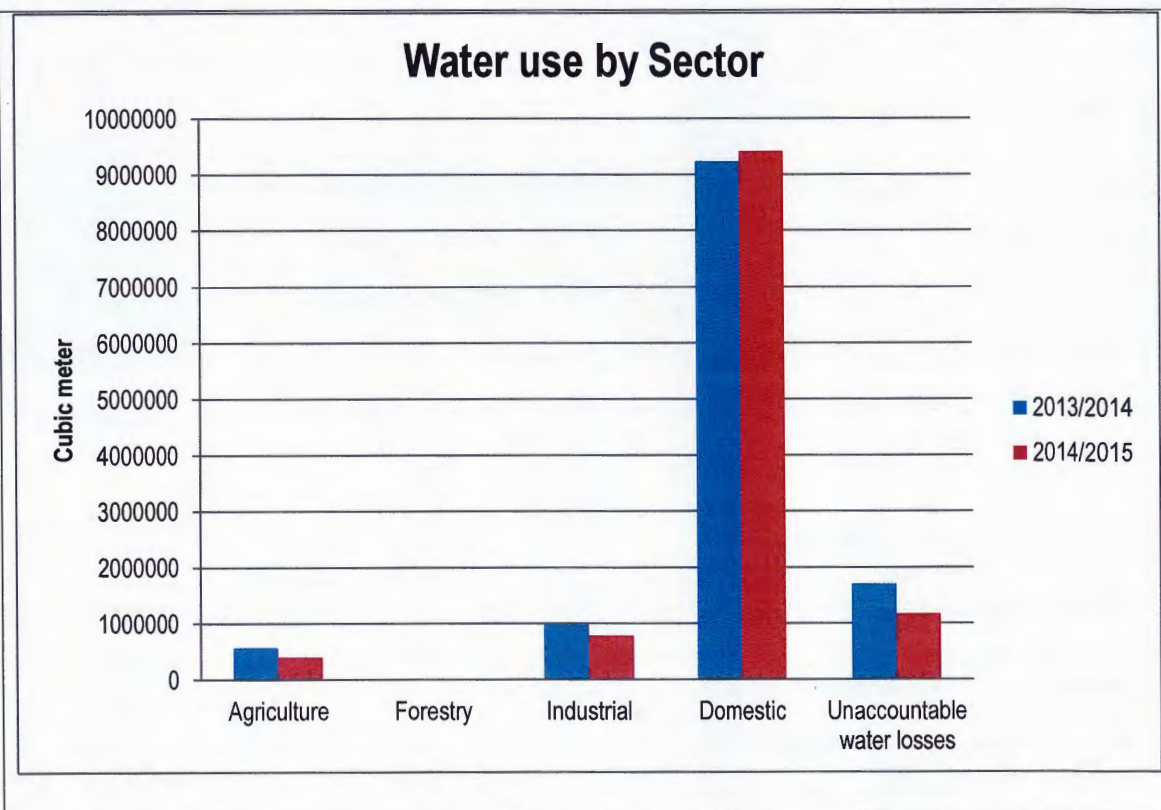
3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

The Municipality has developed water master plan which currently being presented to various stakeholders for adoption and approval processes by council. The masterplan has covered the entire municipal area in terms of bulk water needs and proposed water plans.

The municipality also caters for indigent population by providing subsidised water and sanitation services.

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2012/2013	628 672	0	754 406	9 336 335	1 886 017
2013/2014	565 391	0	972 484	9 233 891	1 696 176
2014/2015	390 138	0	780 276	9 414 621	1 170 414



COMMENT ON WATER USE BY SECTOR:

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The municipality has a high volume of unaccountable water loss due to unmetered stand pipes, hydrants and illegal connections.

Water Service Delivery Levels	
Description	Households
	2014 /2015
	Actual No.
<u>Water: (above min level)</u>	
Piped water inside dwelling	5 275
Piped water inside yard (but not in dwelling)	16 025
Using public tap (within 200m from dwelling)	34 000
Other water supply (within 200m)	6 500
<i>Minimum Service Level and Above sub-total</i>	61 800
<i>Minimum Service Level and Above Percentage</i>	82%
<u>Water: (below min level)</u>	
Using public tap (more than 200m from dwelling)	2 100
Other water supply (more than 200m from dwelling)	9 698
No water supply	1 595
<i>Below Minimum Service Level sub-total</i>	13 393
<i>Below Minimum Service Level Percentage</i>	18%
Total number of households*	75 193

Households - Water Service Delivery Levels below the minimum			
Description	Households		
	2014/15		
	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements			
Total households	61 800	61 800	61 800
Households below minimum service level	0	0	0
Proportion of households below minimum service level	0%	0	0%
Informal Settlements			
Total households	13 393	13 393	13 393
Households below minimum service level	1 595	1 595	1 595
Proportion of households below minimum service level	12%	12%	12%

Chapter 3

Water Service Policy Objectives Taken From IDP						
Service Objectives Service Indicators	Outline Service Targets	2013/14		2014/15		
		Target	Actual	Target		Actual
		*Previous Year		*Previous Year	*Current Year	
Households without minimum water supply	Number of hh provided with water below RDP standard	3 000	3 000	3 000	5 000	11 798
Ensure water supply	Number of boreholes drilled and equipped	New	New	New	30	35
Ensure water quality	Compliance on Blue Drop	85%	79%	85%	85%	Results not issued yet

Access to Water			
	Households with access to water points	Households with access to piped water	Households receiving 6 kl free
2014/2015	73 598	55 300	61 800

Employees: Water Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-5	34	56	54	2	3.5%
5-8	4	6	4	2	33%
8-11	6	12	6	6	50%
11-12	3	6	3	3	50%
12-14	12	18	12	6	33%
15-16	6	10	6	4	40%
17-18	3	5	3	2	40%
19-25	2	2	2	0	0%
Total	70	115	70	45	

Chapter 3

Financial Performance 2014/15: Water Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	154 383	180 536	174 536	182 165	1%
Expenditure:					
Employees	22 418	22 582	23 904	22 592	0%
Repairs and Maintenance	18 196	15 343	15 767	25 684	67%
Other	107 472	132 851	134 083	138 944	5%
Total Operational Expenditure	148 084	170 776	173 754	187 220	9%
Net Operational Expenditure	16 408	9 760	9 757	-5 055	-193%

Capital Expenditure 2014/15: Water Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	32 200	25 242	23 252	-21.6%	
Ledig Reservoir	7 500	2 037	2 037	-72.8%	21 500
Ground Water Optimization	24 700	23 205	21 215	-6.1%	36 324

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COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

The Municipality has managed to reach various villages that had challenges with regard to water shortages through the implementation of the underground water optimization project, this programme has seen about 8 villages being assisted with additional boreholes and reticulation. As part of ensuring proper planning in future the Municipality has managed to develop a water master plan.

3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

The municipality provides sanitation services of high level of service to two townships of Madikwe and Mogwase. About 5 275 households and industrial are catered by the Mogwase and Madikwe Waste Water Treatment Plants. The Mogwase Waste Water Treatment Plant is currently operating at 80%. The Madikwe Sewage pond services Madikwe Township. The Municipality is also embarking on a rural sanitation programme to provide decent sanitation to areas with no access to water borne sanitation.

Sanitation Service Delivery Levels	
Description	*Households
	2014/2015
	Actual No.
<u>Sanitation/sewerage: (above minimum level)</u>	
Flush toilet (connected to sewerage)	5 275
Flush toilet (with septic tank)	
Chemical toilet	
Pit toilet (ventilated)	12 984
Other toilet provisions (above min.service level)	0
<i>Minimum Service Level and</i>	
<i>Above sub-total</i>	18 259
<i>Minimum Service Level and</i>	
<i>Above Percentage</i>	24%
<u>Sanitation/sewerage: (below minimum level)</u>	
Bucket toilet	
Other toilet provisions (below min.service level)	
No toilet provisions	56 934
<i>Below Minimum Service Level</i>	
<i>sub-total</i>	56 934
<i>Below Minimum Service Level</i>	
<i>Percentage</i>	76%
Total households	75 193

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Households - Sanitation Service Delivery Levels below the minimum Households			
Description	2014 /2015		
	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements			
Total households	5 275	5 275	5 275
Households below minimum service level	0	0	0
Proportion of households below minimum service level	0%		0%
Informal Settlements			
Total households	780	780	780
Households below minimum service level	0	0	0
Proportion of households below minimum service level	0%		0%

Waste Water (Sanitation) Service Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		
		Target	Actual	Target	Actual	
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)
Number of households provided with sanitation above RDP standard	30 000hh	0	5 000	0	0	5 275
Number of households provided with VIP toilets	1650	5 000	849	780	780	780

Chapter 3

VIP management strategy developed	December 2013	0	0	0	100%	0%
% improvement of the green drop status	85%	75%	29%	29%	85%	Results not yet released

Employees: Sanitation Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-5	14	21	13	8	38%
8-11	1	1	1	0	0%
12-14	4	6	3	1	17%
15-16	1	1	1	0	0%
Total	20	29	18	9	

Financial Performance 2014/15: Sanitation Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	10 142	13 060	13 060	12 855	- 2%
Expenditure:					
Employees	737	5 310	4 565	1 111	-79%
Repairs and Maintenance	1 169	898	1 370	994	-10%
Other	4 345	5 910	5 436	4 887	-17%
Total Operational Expenditure	6 251	12 118	11 371	6 992	-42%
Net Operational Expenditure	-3 891	-942	-1 689	-5 863	-347%

Chapter 3

Capital Expenditure 2014/15: Sanitation Services					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	4 298	11 089	10 735	61.2%	33 509
Rural Sanitation Programme 3	4 298	11 089	10 735	61.2%	33 509

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

The service is the first priority as indicated by communities in the IDP engagement sessions. Based on the allocated resources the unit could only deliver 780 units. The municipality is experiencing backlog in sanitation services. The estimated cost to eradicate the backlog on sanitation is estimated at R 560 million.

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

The Electricity Unit is not providing electricity at household level. This municipality is relying on ESKOM for the provision of electricity. An assessment with regard to the existing infrastructure (street lights) was conducted, the implementation is to be carried out in the following financial year, however regular maintenance is ongoing. The Municipality also provides community lighting infrastructure (high mast lights).

Employees: Electricity Services					
Job Level	2013/2014	2014/2015			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-5	0	5	0	5	100%
12-14	0	6	4	2	33.3%
15-16	1	2	1	1	50%
Total	1	13	5	8	62%

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Financial Performance 2013/14: Electricity Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees	536	1 247	1 305	946	-27%
Repairs and Maintenance	246	425	525	394	-25%
Other	8 563	11 569	9 525	9 236	-3%
Total Operational Expenditure	9 345	13 241	11 355	10 576	-6%
Net Operational Expenditure	9 345	13 241	11 355	10 576	-6%

Capital Expenditure 2014/15: Electricity Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Ramokoka, Bojating, Phadi, Mmorogong	2 126	2 126	2 126	0%	5 000
Vrede, Seshibitswe	400	400	0	0%	4 000

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

The installation of High Mast Lights within villages is of utmost importance for the reduction of crime. The municipality of Moses Kotane is rural. The Municipality has managed to install 57 high mast lights, however the Municipality faces challenges in reaching its targets due to delays in energizing of high mast lights by Eskom.

The maintenance of street lights is performed in-house where theft of transformers and cables hamper service delivery. Arrests have been made which will hopefully improve the situation. Furthermore, with deeper excavation at installation or the use of aluminum in the place of copper cables, theft may be reduced.

Chapter 3

3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

INTRODUCTION TO WASTE MANAGEMENT

Local governments are charged with the responsibility for providing Solid Waste Management services. Municipalities are held responsible for cleansing, refuse removal, illegal dumps and waste disposal. The local government by-laws give them exclusive ownership over waste once it has been placed outside a home or establishment for collection. Global developments have propelled changes in waste management practices i.e the shift to waste minimization and the promotion of the green economy

Challenges:

- Inconsistency with waste collection
- Inaccessibility of roads in the community
- Illegal dumping

The Municipality has contracted 9 waste collectors as service providers. These service providers services the 31 wards found within the municipality. The service providers conduct weekly household waste collections and they dispose this waste in the 2 registered landfill sites, which are Mogwase and Madikwe landfill sites.

The Municipality does not conduct recycling; however we have undertaken to link the reclaimers with recycling companies

Solid Waste Service Delivery Levels				
Description	2011/2012	2012/2013	2013/2014	Households 2014/2015
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<u>Solid Waste Removal: (Minimum level)</u>				
Removed at least once a week	64 125	75 193	75 193	75 193
<u>Solid Waste Removal: (Below minimum level)</u>				
Removed less frequently than once a week				
Using own refuse dump				
No rubbish disposal				
Total number of households	64 125	75 193	75 193	75 193

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Households - Solid Waste Service Delivery Levels below the minimum						
Households						
Description	2011-2012	2012/13	2013/14	2014/2015		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements						
Total households	0	0	0	0	0	0
Households below minimum service level						
Proportion of households below minimum service level						
Informal Settlements (included above)	0	0	0	0	0	0

Chapter 3

Waste Management Service Policy Objectives Taken From IDP									
Service Objective <i>Service Indicators</i> (i)	Outline Service Targets (ii)	2013-2014		2014-2015			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	 (iv)	*Previous Year (v)	*Current Year (vi)	 (vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
<i>Provision of weekly collection service per household (HH)</i>	Provide waste collection to all wards	64 125	64 125	75 193	75 193	75 193	80 000	85 000	90 000
<i>Proportion of waste that is recycled</i>	Operation of the buyback centre	Buy back centre established	Buy back centre established	The buyback centre fully operational	The buyback centre fully operational	The buyback centre fully operational			
<i>Proportion of landfill sites in compliance with the Environmental Conservation Act 1989.</i>	1. Closure and rehabilitation of the old Mogwase landfill site 2. Operation of the new Mogwase landfill site 3. Fencing of Madikwe landfill site	Closure of the old Mogwase landfill site	Contractor awaiting appointment for second phase for rehabilitation of the landfill site	Contractor awaiting appointment for second phase for rehabilitation of the landfill site	Rehabilitation of the old Mogwase landfill site	Rehabilitation of the old Mogwase landfill site had commenced (Phase1)			

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To reduce and/or prevent adverse pollution as per section 24N NEMA 1998	Borrow pit rehabilitation and fencing			The rehabilitation and fencing of the Lerome borrow pit	Lerome borrow pit was fully rehabilitated and subsequently fenced	Lerome borrow pit was fully rehabilitated and subsequently fenced			
To raise awareness around issues pertaining pollution prevention-illegal dumps eradication	Billboards and sign boards installation			The installation of sign boards around Mogwase	The installation of sign boards around Mogwase	The installation of sign boards around Mogwase			
The purpose of IEMP is to resolve or lessen any negative development process	Environmental plans and policies			The tender for integrated environmental management plan was advertised	The evaluating team for the tender yet to sit down	The evaluating team for the tender yet to sit down			

Chapter 3

Employees: Solid Waste Management Services					
Job Level	(2013/2014)	(2014/2015)			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-5	0	16	0	16	100%
12-14	0	2	0	2	100%
15 - 16	2	2	1	1	50%
18 - 25	1	1	1	0	0%
Total	3	21	2	19	90%

Employees: Waste Disposal and Other Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
Total	0	0	0	0	0
The service is outsourced					

Financial Performance 2013/14: Waste Disposal and Other Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	20 925	21 712	45 812	45 933	0%
Expenditure:					
Employees	573	1548	1337	1549	16%
Repairs and Maintenance	554	3000	3500	2280	-54%
Other	19 140	39 370	34 671	36 681	6%
Total Operational Expenditure	20 267	43 913	39 508	40 510	6%
Net Operational Expenditure	-658	-22 201	6 304	5 423	-16%

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Capital Expenditure 2014/15: Waste Management Services					
R' 000					
Capital Projects	(2014/2014)				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All		0			
Rehabilitation of Old Mogwase Landfill site	3 692	3 403	2 616	76.2%	
Wheelie Bins	2 000	2 000		0%	

COMMENT ON WASTE MANAGEMENT SERVICE PERFORMANCE OVERALL:

1. Rehabilitation (phase 2) of the Old Mogwase landfill site was not completed as most of the funds have been exhausted during the excavation phase.
2. Lerome borrow pit was fully rehabilitated and subsequently fenced.
3. The tender for the fencing of the Madikwe landfill site has already been advertised and yet to be evaluated.

3.5 HOUSING

INTRODUCTION TO HOUSING

Everyone has the right to have access to adequate housing. Key to the roles and responsibilities of Local Government is to ensure the provision of services to communities in a sustainable manner. Priority of Moses Kotane is to eradicate informal settlements and mud houses in our villages. Housing has been a cornerstone of Moses Kotane since 2003. The objectives of human settlements are:

1. Quality control and assurance of housing development
2. Have all the incomplete housing projects unblocked
3. Accelerate access to housing
4. Have the municipality accredited as a housing developer

The municipality's challenge arises from the fact that implementation of housing is mandated to the provincial human settlement, and not the municipality. Ever rising backlog, blocked housing projects, illegal occupation of land and RDP houses.

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Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
2013/14	75 193	14 427	19.2%
2014/15	75 193	14 427	19.2%

Employees: Housing Services					
Job Level	2013/2014	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
12-14	1	4	1	3	75%
15- 16	4	5	4	1	20%
17 - 18	1	2	1	1	50%
19 - 25	1	1	1	0	0%
Total	7	12	6	6	50%

Financial Performance 2014/15: Housing Services					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees	4 219	5 549	4 465	4 072	-10%
Repairs and Maintenance	177	250	280	234	-20%
Other	464	1 060	655	519	-26%
Total Operational Expenditure	4 860	6 859	5 400	4 825	-12%
Net Operational Expenditure	4 860	6 859	5 400	4 825	-12%

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

Housing delivery is a provincial competency.

Chapter 3

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Free Basic Services To Low Income Households										
Year End	Number of households									
	Total	Households earning less than R1,100 per month								
		Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse		
		Total	Access	%	Accesses	%	Access	%	Accesses	
2012/13	20 975	20 975	13 000	62%	448	2%	3 085	15%	449	2%
2013/14	20 210	20 975	15 000	72%	756	4%	5 092	24%	756	4%
2014/15	21 884	21 884	17 250	79%	987	5%	17 250	79%	987	5%

Financial Performance 2014/15: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2013/14	2014/15			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water, Property rates, Waste Water (Sanitation) Waste Management (Solid Waste)	47 297	400 000	900 000	842 364	110%
Electricity	1 225 728	4 000 000	2 800 000	2 940 014	-26%
Total	1 273 025	4 700 000	3 400 000	1 777 544	52%

Chapter 3

COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (storm water drainage).

INTRODUCTION TO ROAD TRANSPORT

The municipality does not implement road transport programmes. Road development and maintenance is carried out as part of the infrastructure grant and operational (internal funding) respectively.

3.7 ROADS

INTRODUCTION TO ROADS

The Municipality has an overall responsibility of 2292 KMs of which 110 KMs are surfaced and 2181 KMs are gravel. The Provincial roads in the municipal jurisdiction are 3867 KMs of which 375 KMs are surfaced and 3400 KMs are gravel. The internal roads within Moses Kotane are in a bad condition.

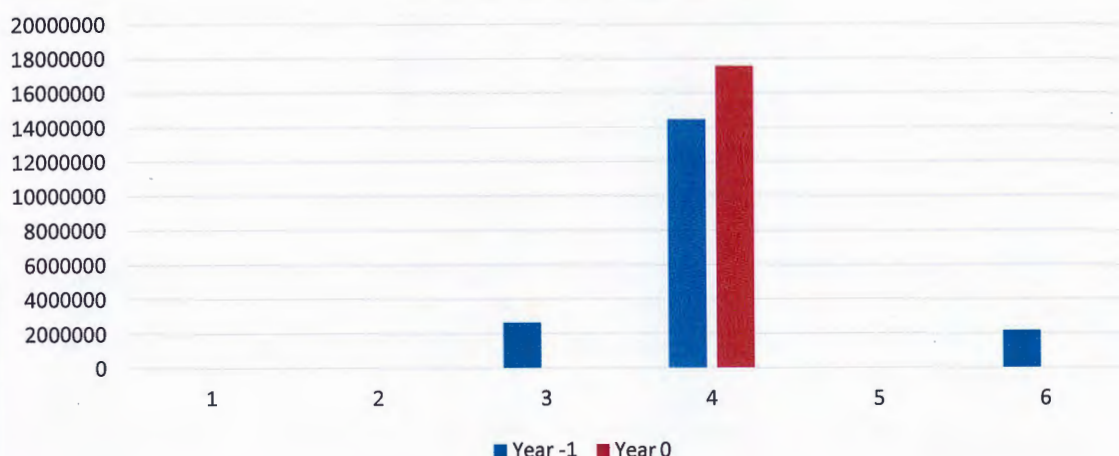
Frequent breakdown of machinery hampers maintenance of roads. Additional machinery has been purchased in order to improve service delivery.

Tarred Road Infrastructure					Kilometres
Year End	Total tarred roads	New tar/paved roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2012/13	18.4	18.4	0	1.8	12.2
2013/14	11.5	11.5	0	2.3	9.3
2014/15	100	9.6	0	4.9	4.9

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Cost of Construction/Maintenance						
R' 000						
	Gravel			Tar / Paved		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2012/13	0	0	2 655	14 466	-	2 170
2013/14	-	-	-	17 568	-	6 865
2014/15	0	27 272	3 000	27 272	-	3 000

Road Infrastructure Costs



Financial Performance 2014/15: Road Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	
Expenditure:					
Employees	6 552	8 474	6 745	6 441	4.5%
Repairs and Maintenance	3 679	5 201	7 036	6 195	11%
Other	38 162	41 843	41 290	42 734	-3%
Total Operational Expenditure	48 396	55 518	55 071	55 370	-0.5%
Net Operational Expenditure	48 397	55 518	55 071	55 370	-0.5%

Chapter 3

Capital Expenditure 2014/15 Road Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	25 941	27 272	27 272	5%	
Mopyane	2 740	3 423	3 423	20%	6 786
Mmorogong	7 000	6 760	6 760	-3.4%	7 494
Mabodisa	7 443	8 195	8 195	9.2%	11 538
Siga and Masekoloane	8 758	8 894	8 894	1.5%	17 127

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The four largest capital projects is the construction of Internal Roads in various villages within Moses Kotane Local Municipality. The Municipality is battling in maintenance of roads due to breakdown of machinery and insufficient resources, the capital budget in terms of roads is insufficient to address the backlog.

3.8 TRANSPORT

INTRODUCTION TO TRANSPORT

The municipality is only responsible for its own internal fleet. The function of public transport within the Municipality has still not been devolved to the Municipality, however discussions are ongoing.

The new internal roads are constructed using paving blocks which is low on maintenance and assists in the creation of temporary employment.

Chapter 3

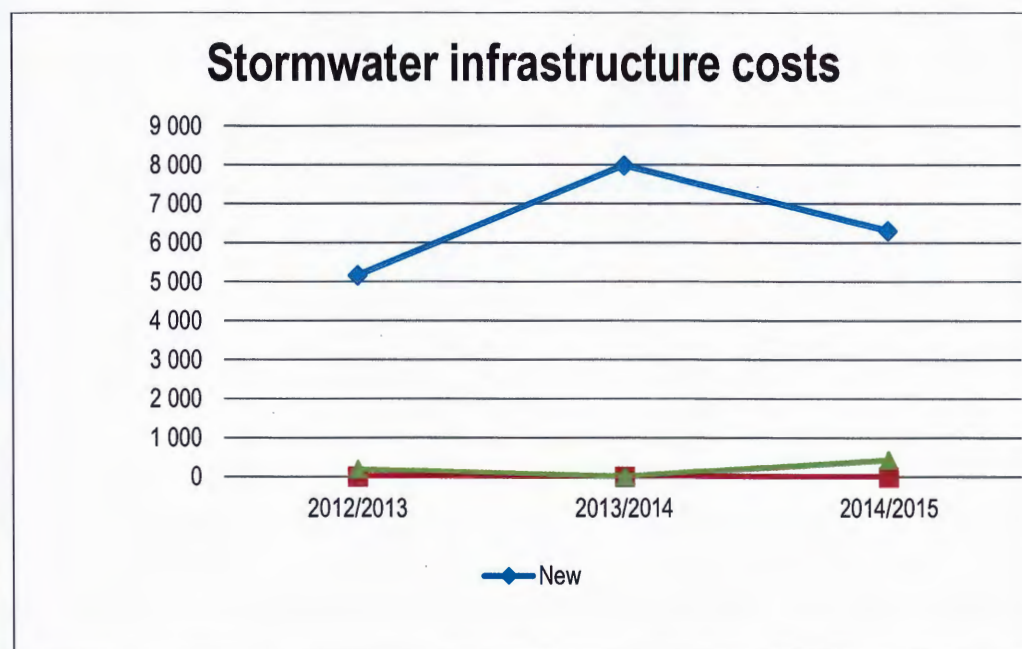
3.9 STORMWATER DRAINAGE

INTRODUCTION TO STORMWATER DRAINAGE

Most roads constructed under the MIG funding do not make provision for storm water control resulting in the roads not lasting as expected. Funding for storm water reticulation would alleviate the problem encountered.

Stormwater Infrastructure				Kilometres
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2013/14	15	15	0	11 blockages attended to
2014/15	10.6	10.5	0	0.092

Cost of Construction/Maintenance				R' 000
	Stormwater Measures			
	New	Upgraded	Maintained	
2012/13	5 166	n/a	189	
2013/14	7 989	n/a	7	
2014/15	6 310	n/a	433	



Chapter 3

Capital Expenditure 2014/15: Planning Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	6 312	none	2 000	32%	
Land tenure upgrade	6 312	none	2 000	32%	

Chapter 3

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

INTRODUCTION TO PLANNING AND DEVELOPMENT

The Municipality's planning and development consist of municipal planning and LED units which deal with the following:

- Spatial Development Framework
- Provides information and guidance in regards to planning dealing with issues/queries related to planning and future developments which are linked to the IDP.
- Agriculture
- Mining
- Rural development
- Tourism

A challenge facing the municipality is where land is under tribal control and as such the Municipality cannot generate revenue to assist in the development of bulk infrastructure. Due to lack of funding the municipality cannot develop their own properties.

3.10 PLANNING

INTRODUCTION TO PLANNING

The Municipality has developed a Spatial Development Planning Framework that enhances planning strategies.

The unit also deals with Land Use Management, application procedures and matters related to the following:

- Rezoning of land ,
- Special Consent ,
- Relaxation of building lines,
- Town planning scheme, and
- Township Establishment Application.
- Land Alienation
- Spatial planning and land use management by-laws and policies

The National Building Regulation Act, Act 103 of 1977 and Moses Kotane Town Planning Scheme 2005 are used to ensure compliance in terms of building regulations and enforcement.

In terms of improving performance, the Municipality must review the Spatial Development Framework and land use management scheme as well as develop a number of precinct plans, a town regeneration strategy and an informal settlement strategy. The construction of bulk infrastructure services (water, sewer and electricity) is completed. The construction of Mogwase Unit 9 houses will start in the 2015/2016 financial year. Out of the five villages planned for

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formalization only the layout plan for Mantserre has been approved, the layout plans for Mantsho, Mogoditshane, Marapallo and Nkogolwe have been submitted to the Surveyor General for approval. The delay in the 4 villages was due to prolonged community engagements between the Department Rural Development and Land Reform and the Tribal authorities. The Municipal planning unit is understaffed and is currently operating with interns from Municipal Infrastructure Support Agency (MISA). The Draft Spatial Planning and Land Use Management by-law has been developed, submitted to Council for noting and awaiting public participation.

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15
Planning application received	0	1	0	3	0	0
Determination made in year of receipt	0	1	0	3	0	0
Determination made in following year	0	0	0	0	0	0
Applications withdrawn	0	0	0	0	0	0
Applications outstanding at year end	0	0	0	0	0	0

Employees: Planning Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
10 - 12	0	1	1	1	0%
12-14	0	1	0	1	100%
15-16	0	1	0	1	100%
17-18	0	2	0	2	100%
18-25	1	1	0	1	100%
Total	1	6	1	6	

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Financial Performance 2013/14: Planning Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	181	200	150	83	-81%
Expenditure:					
Employees	727	2 170	265	56	-373%
Repairs and Maintenance	0	50	50	43	-16%
Other	180	1 000	450	57	-689%
Total Operational Expenditure	907	3 220	765	156	-390%
Net Operational Expenditure	726	3 020	615	73	-742%

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Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	2013/14		2014/15		
		Target	Actual	Target		Actual
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)
Number of municipal policies developed and implemented	2 policies	1	1	1	2	0
Land audit report developed and adopted	Approved Council Resolution	1	1	1	1	0
Number of proclaimed township establishment completed	Approved by Council	5 villages	0	5 villages	5 villages	0 village

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COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The unit is unable to perform as expected due to shortage of permanent staff.

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

The Municipality has a number of economic opportunities that range from agriculture, mining, tourism and rural development. Job creation has been facilitated through the establishment and supporting of cooperatives and marketing its municipality through its information centre. Skills transfer through tourism buddies. Monitoring the implementation of SLPs in the mining sector.

COMMENT ON LOCAL JOB OPPORTUNITIES:

The mining sector is a very important sector that contributes significantly towards both the employment and economic growth of the local municipality. This sector was identified as having a comparative advantage and it was classified as being the current strength of the local economy.

The mining sector is the main contributor towards the total GGP for the local municipality. The finance sector (19.5%), the transport sector (10.9%) and the general government sector (10.0%) are also significant contributors to the local economy.

In order to improve upon the local procurement of the mines, a review of the main products purchased by the mines should be conducted. Whilst it is acknowledged that the local municipality would not be able to provide all the required goods and services to the mines, there are number of consumable goods as well as services that can be provided from the local municipal area.

The tourism sector is unfortunately not classified as a sector on its own, and thus the contribution that tourism makes towards the local municipality cannot be easily quantified. It is one of the key economic sectors which gives the Municipality a comparative advantage over the other municipalities within the NW Province. 3 international icons (Sun City, Madikwe and Pilanesberg Game Reserves) are housed within the municipalities and as such have an impact in terms of job creation of local people. The sector contributes highly to the country's GDP and plays a crucial role in municipal economic growth. It is in this sector where you find street traders / crafters who produce artefacts which are sold to tourists and locals. Most of these traders are located within the game reserves and around the CBD. The traders' activities are done on a full time basis and used to sustain their livelihoods. It is therefore imperative to formalise these traders so as to implement proper regulatory framework/mechanisms for them. Some of the crafters are generating enough income and fall within taxable bracket.

The agricultural sector within the Moses Kotane Local Municipality experienced erratic economic growth during the 1995 – 2010 period. Employment within the agricultural sector has experienced a downturn over the years as employment between the 1995 – 2009 period shrank at an estimated average rate of -9.1%.

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Farming activities within the local municipality are subsistence farming activities and the main agricultural produce within the local municipality is: maize, sorghum, sunflower, game farming, livestock farming (cattle & goat).

The reason for the limited contribution and relatively poor performance of the agricultural sector is the limited water supply within the local municipality. Furthermore, the constraints facing the agricultural sector include: market & marketing information, transport, storage facilities, and grading and product standards. The lack of agricultural infrastructure prohibits/restricts the type of agricultural activities that can occur within the local municipality.

The following opportunities have been identified for the agricultural sector within the local municipality that could lead to economic growth:

- Support commercialization of small-scale/subsistence farming activities, and
- Support the development of a vibrant agro-processing sector.

These could be achieved through the establishment and support of cooperatives.

The manufacturing sector within the Moses Kotane LM has been growing at an average annual growth rate of 1.0% during the 1995 – 2009 period, whilst the level of employment has been decreasing at an average annual rate of 3.4%.

The main area in which manufacturing activities occur within the Moses Kotane LM is the Bodirelo Industrial Park. There is no real clustering of activities within the Bodirelo Industrial area. It is encouraging that some businesses linked to the mining sectors are located within this industrial area. It should be noted that a number of stands within the local municipality are vacant and the attraction of investment to these areas could be further investigated.

The trade sector in the Moses Kotane LM appears to be underdeveloped. This is illustrated by limited growth in this sector whilst the decline in employment also highlights the challenges experienced within this sector.

Key elements that could be implemented to further develop MKLM economy:

- Agriculture, mining, manufacturing, tourism and utilities are the key sectors that could assist in the development of the local economy,
- The key to ensuring greater economic development is increasing linkages between the various sectors, businesses and communities,
- Government has a key role to play through skills development, information sharing and partnership building

The key to ensuring greater economic growth and development is increasing linkages between the various sectors of the economy.

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Jobs Created during 2014/15 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created/lost
Total (all initiatives)				
2011/12	175	0	175	Steering committee reports
2012/13	77	27	50	Steering committee reports
2013/14	57	0	57	Steering committee reports
2014/15	0	0	0	
Madikwe Sisal project	60	0	60	Attendance register

Job creation through EPWP* projects		
	EPWP Projects	Jobs created through EPWP projects
Details	No.	No.
2013/14	31	901
2014/15	3	701

Employees: Local Economic Development Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
12 - 14	3	3	2	1	33%
15 - 16	1	3	2	1	33%
17 - 18	0	2	2	0	0%
19 - 25	1	1	1	0	0%
Total	5	9	7	2	22%

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Local Economic Development Policy Objectives Taken From IDP						
Service Objectives <i>Service Indicators</i>	Outline Service Targets	2013/14		2014/15		
		Target	Actual	Target	Actual	
		*Previous Year		*Previous Year	*Current Year	
1.LED staff training	No. of LED staff trained	0	1	1	1	1
2.Tourist Guide NQF 4	No. of capacity building programmes conducted	0	15	15	15	15
3.Hospitality programme (Tourism Buddies)	No. of capacity building programmes conducted	0	15	15	15	100
4. Livestock NQF1	No. of capacity building programmes conducted	0	0	0	30	30

Financial Performance 2014/15: Local Economic Development Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees	1 884	3 050	3 136	2 361	-33%
Other	857	4 145	4 045	3 424	-18%
Total Operational Expenditure	2 741	7 628	7 095	5 785	-23%
Net Operational Expenditure	2 741	7 628	7 095	5 785	-23%

Capital Expenditure 2014/15: Economic Development Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	NONE				

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COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

Currently there are no capital projects implemented. Establishment of an agricultural marketing hub and launching of a Moses Kotane Local Municipality farmers market. Fast track the implementation of a Special Economic Zone (SEZ) project which is funded by the National Department of Trade and Industry. Developing the tourism master plan.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.12 LIBRARIES

INTRODUCTION TO LIBRARIES

The library strives to provide, in cooperation with the relevant governing bodies on local and provincial level, dynamic library and information services that meet the educational, informational, cultural, economical, technological and recreational needs of the community at large. Each person must have free access to resources and facilities for information, lifelong learning, culture and recreation.

The service aims to promote the library service and instill a reading culture, improving literacy levels and provide free and open access to information as well as survival information. Present programs include story hours, book talks, life skill training course, literacy training and free public internet access. Reading of literature is promoted to contribute to the upliftment of the community e.g. (Toy training workshops and reading awareness programmes etc.)

Library staff receives relevant training and attends workshops and libraries hosts workshops relevant to the community needs.

SERVICE STATISTICS FOR LIBRARIES;

Number of books -13 600

Number of users- 8 440

Toy training- 4 per year

Library awareness programs- 8 per year

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Libraries: Other Policy Objectives Taken From IDP							
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	2013/14		2014/15			Year 1
		Target	Actual	Target		Actual	Target
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)
Provision of library services to the community	Stocking of all Moses Kotane libraries	3	3	3	3	3	3
Library awareness programs to promote the service	All library users and non-users	8	8	8	8	8	8

Employees: Libraries					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-5	3	8	3	5	63%
10-12	8	8	8	0	0%
15-16	2	4	2	2	50%
17-18	0	1	1	0	0%
Total	13	21	14	7	33%

Financial Performance 2014/15: Libraries					
					R'000
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	406	408	408	536	3%
Expenditure:					
Employees	573	1 108	1 103	655	-68%
Repairs and Maintenance	9	25	21	10	-110%
Other	1 429	1 234	1 230	694	-77%
Total Operational Expenditure	2 011	2 367	2 354	1 359	-73%
Net Operational Expenditure	-1 605	-1959	- 1 946	823	-136%

COMMENT ON THE PERFORMANCE OF LIBRARIES

Through additional campaigns we improvised to convert some classrooms into fully resourced and functional school libraries for the benefit of the youth in public schools in and around our municipality.

3.13. COMMUNITY FACILITIES

INTRODUCTION TO COMMUNITY FACILITIES

The municipality through MIG provides community facilities and through its operational budget undertakes maintenance, renovations and repairs to Municipal facilities.

SERVICE STATISTICS FOR COMMUNITY FACILITIES

During the period under review the municipality carried out routine maintenance in Community Halls, Parks, Sports Facilities. The Municipality has 105 facilities (inclusive of municipal offices, community halls, sports facilities and libraries).

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Employees: Community Facilities					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-5	6	10	5	5	50%
8-10	3	4	3	1	25%
12-14	1	1	1	0	0%
17-18	1	1	1	0	0%
Total	11	16	10	6	38%

Financial Performance 2014/15: Community Facilities					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	5	5	1	5	500%
Expenditure:					
Employees	2 279	2 984	2 852	2 063	-38%
Repairs and Maintenance	467	1 950	2 740	5 459	99%
Other	9 509	14 705	14 079	9 557	-47%
Total Operational Expenditure	12 255	19 639	19 671	17 079	-15%
Net Operational Expenditure	-12 250	19 634	19 670	17 074	-15%

Capital Expenditure 2014/15: Community Facilities					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	13 235	11 873	11 873	-10%	
Moubana	2 800	2 310	2 310	-17%	2 828
Mabeskraal	4 000	3 235	3 235	-19%	3 986
Rampampaspoort	2 800	1 958	1 958	-30%	3 223
Ramothhajwe	2 800	2 325	2 325	-16%	2 801

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3.14. CEMETERIES

INTRODUCTION TO CEMETERIES

The municipality provides for and maintains gravesites in Mogwase and Madikwe. The maintenance service of gravesites has in the period under review been extended to the rural villages throughout the Municipality.

SERVICE STATISTICS FOR CEMETERIES

During the financial year 173 graves were provided in Madikwe and Mogwase.

Employees: Cemeteries					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
(1-5)	3	8	3	5	63%
(8-11)	1	6	2	4	66%

Financial Performance 2013/14: Cemeteries					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	17	14	20	21	5%
Expenditure:					
Employees	306	737	578	253	-128%
Repairs and Maintenance	0	85	45	-	-
Other	375	506	505	565	12%
Total Operational Expenditure	381	1 328	1 128	819	-38%
Net Operational Expenditure	-364	1 314	1 108	798	-39%

3.15. CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The municipality through the Mayoral special programmes provides support to the aged, the disabled, people living with HIV/Aids, orphans and other vulnerable groups.

SERVICE STATISTICS FOR CHILD CARE

The child care function is the responsibility of the Department of Social Development.

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COMMENT ON THE PERFORMANCE OF AGED CARE; SOCIAL PROGRAMMES OVERALL:

Mayoral support is provided to all vulnerable groups through the special projects programme.

COMPONENT E: ENVIRONMENTAL PROTECTION

INTRODUCTION TO ENVIRONMENTAL PROTECTION

3.16 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

The Municipality has a constitutional mandate to ensure that it guarantees everyone the right to an environment that is not harmful to their health or wellbeing and to have the environment protected for the benefit of present and future generation through reasonable legislative and other measures that prevent pollution, ecological degradation, promote conservation and secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

The Municipality achieves this through

1. **Waste Management:**
2. **Biodiversity Management:**
3. **Environmental Education and Awareness**

Employees: Environmental Protection					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-5	0	16	0	16	100%
8-11	0	2	0	2	100%
12-14	0	1	0	1	100%
15-16	1	2	1	1	50%
17-18	0	1	0	1	100%
19-25	1	1	1	0	0%

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Financial Performance 2013/14: Waste Disposal and Other Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	20 925	21 712	45 812	45 933	0%
Expenditure:					
Employees	573	1548	1337	1549	16%
Repairs and Maintenance	554	3000	3500	2280	-54%
Other	19 140	39 370	34 671	36 681	6%
Total Operational Expenditure	20 267	43 913	39 508	40 510	6%
Net Operational Expenditure	-658	-22 201	6 304	5 423	-16%

COMPONENT F: SECURITY AND SAFETY

This component includes: disaster management coordination and control of public nuisances, etc.

3.17 SAFETY AND SECURITY

INTRODUCTION TO SECURITY AND SAFETY

Promotion of road safety through effective law enforcement
 Provision of Security services in all Municipal facilities and buildings
 Coordination of disaster management programs

Employees: Security and Safety					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
12-14	5	15	5	10	64%
15-16	2	3	2	1	66%
17-18	1	3	2	1	33%
19-25	1	1	1	0	0%
Total	9	22	10	12	54%

3.18 OTHER (DISASTER MANAGEMENT)

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INTRODUCTION TO DISASTER MANAGEMENT

The Disaster Management Services part of responsibilities are as follows:

- Provide and undertake a consultation, training, research, project management, client services for the disaster management of the municipality (institutional Capacity)
- Ensure effective and quick response to incident / disaster affecting vulnerable communities
- Ensure minimization of risk measures in the municipality through risk reduction programme
- Compile contingency plan for events as required Disaster Management Act 57 of 2002 and National Disaster Management Framework.

POSSIBLE INCIDENTS IN THE MUNICIPALITY

The following are hazards prevails in the municipality though can be classified into different categories: natural disaster, man-made situations and technological:

- Natural Disasters i.e. House Fires, Drought and Flash Floods
- Severe weather- Heavy storm
- Explosions and Bomb threats
- Vehicle accidents
- Stampeding at stadium during events
- Health Hazards i.e. Food and water contamination, Poisoning
- Political stability: Terrorist, Hostage situation, political attacks
- Crime: looting Robbery, Hijacking
- Power and communication Failures
- Interruption of water supply and electrical outages
- Chemical spillages - hazardous incidents

SERVICE STATISTICS FOR DISASTER MANAGEMENT

53 Incidents

4 awareness programmes

4 risk assessments

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Capital Expenditure 2014/15: Disaster Management					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	300	0	299	0%	
Disaster Management Grant	300	0	299	0%	300

Financial Performance 2014/2015: Disaster Management									
R'000 <									

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT

Disaster Management is a core function of Bojanala Platinum District Municipality though the Moses Kotane implementation of the Disaster Management KPI's in line with the Disaster Management District Disaster Management Plan.

The Disaster Management relief that we assist the vulnerable communities are as follows:

- Tents
- Salvage sheets
- Mattresses

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- Liaise with other line department (SASSA) for social relief of distress.

COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

INTRODUCTION TO SPORT AND RECREATION

This component supports and promotes sport within the municipality. It has formed a sports council and been involved in the development of netball teams where leagues compete on weekends and a team represents Moses Kotane at provincial and national levels.

The athletics club is affiliated to Athletics North west North

3.19 SPORT AND RECREATION

SERVICE STATISTICS FOR SPORT AND RECREATION

2 stadiums (Mogwase and Madikwe)

6 sports grounds (Ramokokastad, Sefikile, Pella, Mabeskraal, Manamela, Silverkraans)

Employees: Sport and Recreation					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1 - 5	25	30	29	1	0%
5 - 7	25	25	20	5	20%
8 - 11	10	8	8	0	0%
12 - 14	1	1	1	0	0%
15 - 16	1	1	1	0	0%
17 - 18	1	1	1	0	0%
Total	63	66	60	6	9%

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Financial Performance 2014/15 : Sport and Recreation					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	11	7	0	
Expenditure:					
Employees	8 652	11 102	10 620	8 547	-24%
Repairs and Maintenance	1 098	1 726	1 716	1 114	-54%
Other	2 639	4 204	3 942	2 738	-44%
Total Operational Expenditure	12 389	17 032	14 311	12 399	-15%
Net Operational Expenditure	12 389	17 021	14 307	12 399	-15%

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

No capital expenditure was incurred during the financial year. Apart from salaries expenditure incurred was mainly for maintenance of the Mogwase and Madikwe stadiums.

COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

3.20 EXECUTIVE AND COUNCIL

This component includes: Executive office (Mayor; Councilors; and Municipal Manager).

Employees: Human Resource Services					
Job Level	2013/14	2014/2015			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
12-14	3	4	3	1	25%
15-16	1	2	1	1	50%
17-18	4	5	4	1	20%
19-25	1	1	1	0	0%
Total	9	12	9	3	33%

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Employees: Property; Legal; Risk Management; and Procurement Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-5	1	2	1	1	50%
6-8	3	3	3	0	0%
9-11	1	2	1	1	50%
12-14	3	6	3	3	0%
15-16	2	4	2	2	0%
17-18	1	1	1	1	0%
19-25	2	2	2	0	0%
Total	13	20	13	8	40%

Employees: The Executive and Council					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
Full Time Councillors	13	13	13	0	0%
Ordinary Councillors	49	49	49	0	0%
Total	62	62	62	0	0%

Financial Performance 2014/15: The Executive and Council					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	0
Expenditure:					
Employees	30 152	35 948	33 333	32 809	-2%
Repairs and Maintenance	43	2 391	2 391	3 253	36%
Other	53 942	39 721	37 305	38 412	-3%
Total Operational Expenditure	84 137	78 060	73 029	74 474	2%
Net Operational Expenditure	84 137	78 060	73 029	74 474	2%

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COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

There were no capital projects for the financial year under review.

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3.21 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

Moses Kotane Local Municipality remains committed to prudent financial management by strengthening the balance sheet, tightening the credit control and continued improved revenue collection or enhancement strategy.

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Debt Recovery							
R' 000							
Details of the types of account raised and recovered	2013/14		2014/15			2015/16	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates	35,786	32	-	33,594	28	45,723	32
Electricity - B	-	-	-	-	-	-	-
Electricity - C	-	-	-	-	-	-	-
Water - B	-	-	-	-	-	-	-
Water - C	69,289	62	-	79,548	66	89,885	62
Sanitation	2,623	2	-	2,757	2	3,060	2
Refuse	4,776	4	-	5,471	5	5,870	4
Total	112,474	100	-	121,37	100	144,538	100

Employees: Financial Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-5	3	3	3	0	0%
5-8	26	30	30	0	0%
8-11	4	4	4	0	0%
11-12	11	11	11	0	0%
12-14	10	15	12	3	20%
14-15	0	1	0	1	100%
15-16	8	10	9	1	10%
17-18	8	8	8	0	0%
19-25	3	3	3	0	0%
CFO	1	1	1	0	0%
Total	74	86	81	5	6%

Chapter 3

Financial Performance 2014/15: Financial Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	323718	191130	22337	376192	49%
Expenditure:					
Employees	19466	22792	23924	22039	-3%
Repairs and Maintenance	420	904	709	563	-61%
Other	25480	24139	21626	22095	-9%
Total Operational Expenditure	45366	47835	46259	44697	-7%
Net Operational Expenditure	-278352	-143295	23922	-331495	57%

Capital Expenditure 2014/15: Financial Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	500	500	142	-252%	
Furniture and Equipment	500	500	142	-252%	280

3.22 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The human resources unit is responsible for the provision of effective HR to the entire municipality. The priorities were recruitment of staff, occupational health and safety, labour relations and training and development. Appointment of temporary workers and other HR staff was done to improve performance.

Employees: Human Resource Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
12-14	3	4	3	1	25%
15-16	1	2	1	1	50%
17-18	4	5	3	2	40%
18-25	1	1	1	0	0%
TOTAL	9	12	9	3	33%

Chapter 3

Financial Performance 2014/15: Human Resource Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	568	920	520	169	-208%
Expenditure:					
Employees	3 432	5 922	5 348	4 430	-21%
Repairs and Maintenance					
Other	1 976	5 116	13 682	16 372	20%
Total Operational Expenditure	5 408	11 038	19 030	20 802	9%
Net Operational Expenditure	4 840	10 118	18 510	20 633	11%

3.23 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The unit is responsible for the support function of ICT to the entire municipality. Provision of ICT equipment and computer networks. An ICT assessment was conducted and the strategy was developed and approved by council.

Employees: ICT Services					
Job Level	Year 2013/14	Year 2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
10 - 12	1	1	1	0	0%
13 - 15	0	2	0	2	100%
16 - 18	1	1	1	0	0%
19 - 20	1	1	1	0	0%
Total	3	5	3	2	40%

Chapter 3

Financial Performance 2014/15: ICT Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees	1 289	1 504	1514	1 917	27%
Repairs and Maintenance	629	320	110	8	-1275%
Other	331	21 175	28 371	32 834	16%
Total Operational Expenditure	2 249	22 999	28 371	34 759	22%
Net Operational Expenditure	2249	22 999	28 371	34 759	22%

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Developed water conservation/ water demand management plan and approved by Council	Draft Water master plan	Approved water conservation / water demand management plan by June 2015	Not Yet Due	Water Conservation/ Water Demand management plan not developed	Water Conservation/ Water Demand management plan not developed	Water Conservation/ Water Demand management plan not developed	Not Achieved	Allocated funding from Department of Water Affairs was insufficient to cover entire Municipal area	Funding to be sourced to address the remaining areas of the Municipality	Approved water conservation/ water demand management plan	R 7 699 975,00	R 7 699 975,00

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of kilolitres of water provided to 5000 households at below RDP standard through tankering	5000 households	42 000 kilolitres of water provided to 5000 households by June 2015	1 report on kilolitres of water provided	1 report on kilolitres of water provided	1 report on kilolitres of water provided	1 report on kilolitres of water provided	Achieved	The household number is unverifiable which led to an inconsistency in collated data, the planning of the key performance indicator was measured based on number of households instead of villages provided with water which led to the unverifiable data, however water was provided to the communities on a daily basis through tankering.	The planning and targeting of water provision to be implemented as per number of villages in the 2015-2016 financial year	Water tankering reports	R 11 250 000,00	R 13 980 121,00

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of households provided with water at RDP standard in a 200 m radius	40 500 households	40 500 households provided with water by June 2015	1 report on water provided	1 report on water provided	1 report on water provided	1 report on water provided	Achieved	<p>The water provided is unverifiable due to boreholes and 200 m stand pipes that do not have metres.</p> <p>The planning of the key performance indicator was measured based on number of households instead of villages provided with water which led to the unverifiable data</p>	<p>To install metres in the boreholes in the 2015-2016 financial year.</p> <p>The planning and targeting of water provision to be implemented as per number of villages in the 2015-2016 financial year</p>	Billing and water provision reports		

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of households provided with water above RDP standard	30 000 households	30 000 households provided with water by June 2015	1 report on water provided	1 report on water provided	1 report on water provided	1 report on water provided	Achieved	The household number is unverifiable which led to an inconsistency in collated data and water interruptions due to Magalies water bulk supply. Breakdowns on Municipal plant and water pipe bursts. The planning of the key performance indicator was measured based on number of households instead of villages provided with water which led to the unverifiable data	Magalies water to upgrade Vaalkop water treatment works. Implementation of groundwater optimisation	Billing and water provision reports	R 52 500 000,00	R 55 524 545,00

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of indigent households with access to free basic water	10 343 households	10 343 indigent households with access to free basic water by June 2015	Not implemented	Not implemented	Not implemented	Not implemented	Achieved	The household number is unverifiable which led to an inconsistency in collated data and water interruptions due to Magalies water bulk supply. Breakdowns on Municipal plant and water pipe bursts. The planning of the key performance indicator was measured based on number of households instead of villages provided with water which led to the unverifiable data	Magalies water to upgrade Vaalkop water treatment works. Implementation of groundwater optimisation	Billing reports	Operational	None
Number of boreholes drilled and equipped	167 boreholes	30 boreholes drilled and equipped by	0 boreholes drilled and equipped	0 boreholes drilled and equipped	0 boreholes drilled and equipped	47 boreholes drilled and equipped	Achieved	None	None	Close out report	R 23 205 475,83	R 19 650 818,81

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
		June 2015										
Developed boreholes maintenance plan and approved by Management	New	Approved borehole maintenance plan by June 2015	Boreholes maintenance plan not developed	Boreholes maintenance plan not developed	Boreholes maintenance plan not developed	Boreholes maintenance plan not developed	Not Achieved	Project not budgeted for in the current financial year	MISA will assist the municipality with development of the maintenance plan	Maintenance plan and minutes of management meeting	None	None
Number of reports on 50 % reduction in water loss	New	4 reports in water loss reduction by June 2015	No report developed on water loss	No report developed on water loss	No report developed on water loss	No report developed on water loss	Not Achieved	The reduction in water loss is unmeasurable due to lack of baseline data and dedicated personnel	A dedicated water loss section to be established in the 2015-2016 financial year	Water loss report	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of reports on 85% Percentage improvement in blue drop status	New	4 reports in blue drop status improved by June 2015	No report developed on percentage improvement in blue drop status	No report developed on percentage improvement in blue drop status	No report developed on percentage improvement in blue drop status	No report developed on percentage improvement in blue drop status	Not Achieved	The percentage measure is unknown as the assessment has not been conducted	The percentage improvement can only be verified once the assessment has been carried out by the Department of Water Affairs which will be conducted in 2016-2017	Assessment score sheet by Department of Water Affairs	Operational	None
Developed sanitation master plan and approved by Council	New	Draft sanitation master plan by June 2015	Master plan not developed	Master plan not developed	Master plan not developed	Master plan not developed	Not Achieved	The project was not properly planned and budgeted for	Engaged DBSA to assist with the development of water and sanitation master plans, however DBSA prioritised to start with water master	Council resolution and sanitation master plan	None	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
									plan, the sanitation master plan will follow			
Number of sanitation service points (VIP toilets) installed for informal settlement dwellers through the rural sanitation programme	New	780 VIP toilets installed by June 2015	195 VIP Toilets	440 VIP Toilets	590 Toilets	Not Applicable	Achieved	None	None	Completion certificate and close out report	R 10 734 019,30	R 9 945 851,87
Number of reports on 50 % reduction in sanitation backlog	New	4 reports on 50 % reduction in sanitation	No report developed on percentage reduction on	No report developed on percentage reduction on	No report developed on percentage reduction on	No report developed on percentage reduction on	Not Achieved	The sanitation baseline was not taken into consideration which resulted in the target being overstated	To review the target in the 2015-2016 financial year.	Sanitation backlog report	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
		backlog by June 2015	sanitation backlog	sanitation backlog	sanitation backlog	sanitation backlog						
Number of reports on 30 % improvement in green drop status	16 % green drop status	4 reports on 14 % improvement in green drop status by June 2015	No report developed on percent age improvement in green drop status	No report developed on percent age improvement in green drop status	No report developed on percent age improvement in green drop status	No report developed on percent age improvement in green drop status	Not Achieved	The percentage measure is unknown as the assessment has not been conducted	The percentage improvement can only be verified once the assessment has been carried out by the Department of Water Affairs which will be conducted in 2015-2016	Assessment score sheet by Department of Water Affairs	Operational	None
Developed roads master plan and approved by Council	New	Draft roads master plan by June 2016	Roads master plan not developed	Roads master plan not developed	Roads master plan not developed	Draft roads master plan	Not Achieved	Draft roads master plan prepared for submission to Council	Need to speed up the approval process	Council resolution and roads master plan	Funded by DBSA	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of KMs of Municipal internal roads paved	168 KMs internal roads paved	8,7 KMs of municipal internal roads paved by June 2015	1,5 KMs internal road paved	Service provider appointed	Construction in progress	8,9 KMs internal roads paved	Achieved	None	None	Close out report and completion certificate	R 59 569 430,49	R 54 701 352,10
Number of KMs of Municipal roads maintained (Regravelling)	250 KMs municipal roads regravelled	40 KMs of municipal roads maintained - Disake, Tlokweneng, Pella, Kameelboom, Mabaa Istad	1 KM of road regravelled	0 KMs regravelled	0 KMs regravelled	4.52 KMs regravelled	Not Achieved	Insufficient plant and machinery (water tanker and compactor)	Regular maintenance of yellow fleet	Maintenance report	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of KMs of Municipal roads resealed	40 KMs municipal roads resealed	2,5 KMs of municipal roads resealed by June 2015	0 KMs resealed	0 KMs resealed	0 KMs resealed	4,9 KMs resealed - Mogwas e Unit 1 and Mogwas e cemetery	Achieved	None	None	Completion certificate and close out report	R 2 622 531,54	R 2 556 485,95
Number of KMs of stormwater drainage installed	New	4 KMs of stormwater installed by June 2015 - Sandfontein, Goede hoop and Lossmytjerie	0 KMs of stormwater installed	7,5 KMs of stormwater installed	0 KMs of stormwater installed	3 KMs of stormwater installed	Achieved	None	None	Completion certificate and close out report	R 6 310 363,55	R 5 837 195,87

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Developed electrification operational and maintenance plan and approved by Management	New	Approved electrification operational and maintenance plan by June 2015	Electrification operational and maintenance plan not developed	Electrification operational and maintenance plan not developed	Electrification operational and maintenance plan not developed	Electrification operational and maintenance plan not developed	Not Achieved	Municipality could not develop the plan	Service provider was appointed to assess the municipal infrastructure and advise on the development of the maintenance plan	Minutes of management and electrification operational and maintenance plan	Operational	None
Number of reports on the maintenance of community lighting	New	4 reports on community lighting by June 2015	1 report on community lighting	1 report on community lighting	1 report on community lighting	1 report on community lighting	Achieved	None	None	Reports	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of High Mast lights installed	311 High mast lights	36 High mast lights to be installed by June 2015	0 high mast lights installed	0 high mast lights installed	0 high mast lights installed	0 high mast lights installed	Not Achieved	The reduction of the budget by the MIG allocation	Budget to be allocated in the 2015-2016 financial year	Completion certificate and close out report	R 6 136 639,41	R 5 890 677,35
Number of Community Halls constructed	New	7 community halls to be constructed by June 2015 -	3 halls constructed	0 halls constructed	0 halls constructed	7 community halls constructed	Achieved	None	None	Completion certificate and close out report	R 16 755 589,14	R 15 569 225,88

Chapter 4

COMMUNITY SERVICES

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Developed and implemented contingency plan	BPDM disaster management plan	Developed and implemented contingency plan by December 2014	Not Yet Due	Contingency plan not developed	Contingency plan not developed	Contingency plan not developed	Not Achieved	Delay from district municipality (BPDM) to develop contingency plan	Engage BPDM to finalize the plan	Contingency plan	Operational	None
Timeous response to reported incidents within 24 hours	Incidents attended to within 24 hours	Timeous response to reported incidents within 24 hours by June 2015	13 incidents reported and responded to within 24 hours	17 incidents reported and responded to within 24 hours	9 incidents reported and responded to within 24 hours	11 incidents reported and responded to within 24 hours	Achieved	None	None	Incidents reports and register	Operational	None
Number of disaster risk assessment conducted	4 risk assessments	4 risk assessments conducted by June 2015	1 Disaster risk assessment in Kraalhoek	1 Disaster risk assessment in Koffiekrans	1 Disaster risk assessment in Monono	1 Disaster risk assessment in Kameelboom	Achieved	None	None	Risk assessment report and attendance register	R 200 000,00	R 149 455,00

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of training and awareness campaigns conducted	4 training awareness campaigns	4 training awareness campaigns conducted by June 2015	No training conducted	1 training awareness campaign conducted in Koffiekrans	No training conducted	3 training awareness campaigns conducted - Sesobe, Ramos Mbitshana, Kameelboom	Achieved	None	None	Awareness campaign report and attendance register		
Mogwase weighbridge office constructed	New	Mogwase weighbridge office constructed by December 2014	Weighbridge not constructed	Weighbridge not constructed	Weighbridge not constructed	Weighbridge not constructed	Not Achieved	None responsive submission of tenders	The weighbridge construction to be planned and budgeted for in the 2015-2016 financial year	Completion certificate and close out report	R 500 000,00	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Madikwe landfill site constructed and rehabilitated	Old Madikwe landfill	Madikwe landfill site constructed and rehabilitated by March 2015	Madikwe landfill site not constructed and rehabilitated	Madikwe landfill site not constructed and rehabilitated	Madikwe landfill site not constructed and rehabilitated	Madikwe landfill site not constructed and rehabilitated	Not Achieved	Specification approved and awaiting advertisement (SCM challenges)	Madikwe landfill site to be constructed in the 2015-2016 financial year	Completion certificate and close out report	R 3 000 000,00	R 1 583,73
Old Mogwase waste disposal site rehabilitated	Old Mogwase waste disposal site	Old Mogwase waste disposal site rehabilitated by June 2015	Old Mogwase waste disposal site not rehabilitated	Old Mogwase waste disposal site not rehabilitated	Old Mogwase waste disposal site not rehabilitated	Old Mogwase waste disposal site not rehabilitated	Not Achieved	The Service Provider appointed late in May 2015	The contractor on site, the project to be completed in the 15-16 Financial Year	Completion certificate and close out report	R 6 677 851,00	R 323 095,97
Number of maintenance reports on Landfill sites	New	4 maintenance reports on Landfill sites by June 2015	1 maintenance report	1 maintenance report	1 maintenance report	1 maintenance report	Achieved	None	None	Maintenance reports	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of borrow pits fenced/closed	New	4 borrow pits fenced/closed by December 2014	0 borrow pits fenced/closed	0 borrow pits fenced/closed	0 borrow pits fenced/closed	0 borrow pits fenced/closed	Not Achieved	1 borrow pit for Lerome delayed due to SCM specification committee challenges and sufficient budget was not taken into consideration for the planning of the 3 borrow pits	Lerome borrow pit to be completed in the 2015-2016 financial year, the other 3 borrow pits not budgeted for in the 2015-2016 financial year	Completion certificate and close out report	R 500 000,00	None
Number of reports on 75193 households refuse collected weekly	75193 households	4 reports on 75193 households refuse collected weekly by June 2015	1 report on refuse collected weekly	1 report on refuse collected weekly	1 report on refuse collected weekly	1 report on refuse collected weekly	Not Achieved	The household number is unverifiable which led to an inconsistency in collated data, however refuse is collected by the appointed Service Provider on a weekly basis	The planning and targeting of refuse collection to be implemented as per number of villages in the 2015-2016	Refuse collection reports	R 17 179 000,00	R 9 980 707,19

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
									financial year			
Number of reports on 10343 households free refuse collected weekly	10343 households	4 reports on 10343 households refuse collected weekly by June 2015	1 report on free refuse collected weekly	1 report on free refuse collected weekly	1 report on free refuse collected weekly	1 report on free refuse collected weekly	Not Achieved	The household number is unverifiable which led to an inconsistency in collated data, however refuse is collected by the appointed Service Provider on a weekly basis	The planning and targeting of refuse collection to be implemented as per number of villages in the 2015-2016 financial year	Refuse collection reports		
Number of developed environmental plans and approved by Council	New	4 environmental plans approved by June 2015 - Air quality plan, Bio diversity plan, Integrated environment	0 environmental plans approved	0 environmental plans approved	0 environmental plans approved	0 environmental plans approved	Not Achieved	Awaiting final IWMP document from the district municipality (BPDM) and the other 3 environmental plans not budgeted for	1 of the 3 plans to be completed in the 2015-2016 Financial year engage the District to speed up the process of finalising	Council resolution	Funded by BPDM	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
		tal management plan and Integrated waste management plan							the document			
Municipal environmental forum established	New	Municipal environmental forum established by September 2014	Municipal environmental forum not established	Municipal environmental forum not established	Municipal environmental forum not established	Municipal environmental forum not established	Not Achieved	Council resolved that the by-law be promulgated prior to the establishment of the forum	The by-law developed and is in the public participation process prior to promulgation, the municipal environmental forum to be establishment after finalisation of the by-law	Appointment letters	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
									process			
Number of environmental forum meetings held	New	3 environmental forum meetings held by June 2015	Not Yet Due	0 environmental forum meeting held	0 environmental forum meeting held	0 environmental forum meeting held	Not Achieved	Council resolved that the by-law be promulgated prior to the establishment of the forum	The by-law developed and is in the public participation process prior to promulgation, the municipal environmental forum to be establishment after finalisation of the by-law process	Minutes and Attendance Register	Operational	None
Number of environmental awareness campaigns conducted	12 environmental awareness campaigns	8 environmental awareness campaigns by June 2015 -	1 environmental awareness campaigns conducted	2 environmental awareness campaigns conducted	5 environmental awareness campaigns conducted	13 environmental awareness campaigns conducted	Achieved	None	None	Environmental awareness campaigns reports and Attendance	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
d										register		
Developed building maintenance plan and approved by Council	New	Approved building maintenance plan by September 2014	No building maintenance plan	No building maintenance plan	No building maintenance plan	No building maintenance plan	Not Achieved	The project was not properly planned and budgeted for	A service provider to be appointed in the 2015-2016 financial year to develop the plan	Council resolution	Operational	None
Number of reports on the implementation of building maintenance plan	New	3 implementation reports on the building maintenance plan by June 2015	Not Yet Due	1 report on routine maintenance conducted	1 report on routine maintenance conducted	1 report on routine maintenance conducted	Not Achieved	The project was not properly planned and budgeted for, however daily routine maintenance was conducted	A service provider to be appointed in the 2015-2016 financial year to develop the plan	Maintenance reports	Operational	None
Number of reports on the maintenance of sports	New	4 reports on the maintenance of sports facilities by June 2015	1 routine maintenance report	1 routine maintenance report	1 routine maintenance report	1 routine maintenance report	Achieved	None	None	Maintenance reports	R 500 000,00	R 141 650,24

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
facilities												
Number of reports on maintenance of community swimming pools	New	4 reports on the maintenance of swimming pools by June 2015	1 routine maintenance report	1 routine maintenance report	1 routine maintenance report	1 routine maintenance report	Achieved	None	None	Maintenance reports	Operational	None
Number of reports on maintenance of cemeteries	New	4 reports on the maintenance of cemeteries by June 2015	1 routine maintenance report	1 routine maintenance report	1 routine maintenance report	1 routine maintenance report	Achieved	None	None	Maintenance reports	Operational	None
Number of reports on the maintenance of parks and gardens	New	4 reports on the maintenance of parks and gardens by June 2015	1 routine maintenance report	1 routine maintenance report	1 routine maintenance report	1 routine maintenance report	Achieved	None	None	Maintenance reports	R 605 000,00	R 288 206,23

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of sports programmes supported	4 sports programmes	8 sports programmes supported by June 2015	3 sports programmes supported - Netball Tournament, Golden Games and Hiking	2 sports programmes supported - Volleyball Tournament and Soccer Tournament	2 sports programmes supported - Basketball Tournament and Fun Run/Walk	1 sports programme supported - Sports Tournament	Achieved	None	None	Sports reports	R 300 000,00	R 199 900,96
Number of arts and culture programmes supported	4 arts and culture programmes	4 arts and culture programmes supported by June 2015	1 arts and culture programme supported - Indigenous games	0 arts and culture programme supported	0 arts and culture programme supported	0 arts and culture programme supported	Not Achieved	No dedicated personnel, budget directed to cleaning campaign	function to be transferred to LED unit	Arts and culture reports	R 200 000,00	R 66 932,88

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of library programmes conducted	3 library programmes	8 library programmes conducted by June 2015	3 library programmes conducted - Women's day celebration, Colour in Competition and Heritage day celebration	2 library programmes conducted - Career exhibition, Kiddies Fun Day	2 library programmes conducted - Preschool educators workshop, Library week celebration	3 library programmes conducted - World book day, World play day, Youth month celebration	Achieved	None	None	Library reports	R161 000	R86 175,00
Developed 2014-2015 library business plan approved by Municipal	2013-2014 library business plan	2014-2015 library business plan developed by December 2014	Developed 2014-2015 library business plan	2014-2015 library business plan approved by Municipal Manag	Not Applicable	Not Applicable	Achieved	None	None	Approved library business plan	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Manager				er and submitted to Department of Sports, Arts and Culture								
Number of consolidated security inspection reports submitted to management	New	4 consolidated security inspection reports submitted by June 2015	0 consolidated security inspection report	2 consolidated security inspection report	1 consolidated security inspection report	1 consolidated security inspection report	Achieved	None	None	Security inspection reports	R 10 500 000,00	R 6 590 891,27
Reviewed fleet management policy	Approved fleet management policy	Approved fleet management policy by December 2014	Reviewed draft fleet management policy	Fleet management policy not approved	Fleet management policy not approved	Fleet management policy not approved	Not Achieved	Delayed due to slow consultation processes	Engage department of corporate services to speed up process	Council resolution	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of reports on the management of municipal fleet	New	4 reports on management of municipal fleet by June 2015	1 report on management of municipal fleet	1 report on management of municipal fleet	1 report on management of municipal fleet	1 report on management of municipal fleet	Achieved	None	None	Municipal fleet management reports	R5 460 000	R4 646 737,00
Number of new vehicles and machinery acquired	New	42 new vehicles and machinery acquired by December 2014	SCM processes not finalised	42 new vehicles and machinery not procured	42 new vehicles and machinery not procured	42 new vehicles and machinery not procured	Not Achieved	The tender advertisement was referred back to correct the specification	The new vehicle to be procured in the 2015-2016 financial year	Delivery notes	R27 300 000	R17 332 341,00
Developed integrated public transport strategy and approved by Council	New	Approved integrated public transport by March 2015	Not Yet Due	Not Yet Due	Integrated public transport strategy not approved	Integrated public transport strategy not approved	Not Achieved	Insufficient specification information	Correct specification submitted and approved for tender advert	Council resolution	R 250 000,00	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of road blocks conducted	22 road blocks	12 road blocks conducted by June 2015	6 road blocks conducted	3 road blocks conducted	2 road blocks conducted	2 road blocks conducted	Achieved	None	None	Stop and check register and road block register	Operational	None
Number road safety campaigns conducted	4 road safety campaigns	4 road safety campaigns conducted by June 2015	1 road safety campaign conducted	3 road safety campaigns conducted	1 road safety campaign conducted	1 road safety campaign conducted	Achieved	None	None	Road safety campaign report and attendance register	Operational	None

Chapter 4

PLANNING AND DEVELOPMENT

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Turnaround time for approval of industrial sites applications within 3 months of receipt	New	Approved industrial sites application within 3 months of receipt by June 2015	0 applications received	0 applications received	0 applications received	1 application received and not approved	Not Achieved	Item on approval of applications were tabled in the Portfolio Committee awaiting the Executive Committee meeting	Engage the Head of Portfolio to speed up tabling in the Executive Committee meeting	Application Register and Council Resolution	Operational	None
Turnaround time for approval of business development sites applications within 3 months of receipt	New	Approved business development sites application within 3 months of receipt by June 2015	0 applications received	2 applications received and not approved	0 applications received	0 applications received	Not Achieved	Items were tabled in the Portfolio Committee awaiting the Executive Committee meeting	Engage the Head of Portfolio to speed up tabling in the Executive Committee meeting	Application Register and Council Resolution	Operational	None
Number of inspection	New	4 By-laws and	0 inspection	1 inspection	0 inspection	0 inspection	Not Achieved	Lack of transport to	To speed up the	4 inspection	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
reports conducted in line with enforcement of by-laws		policies enforcement reports by June 2015	ns conducted	on report	ons conducted	ons conducted		conduct inspections and human capacity in the unit	process of recruitment and approval of interns to utilise Municipal vehicles	n reports		
Turnaround time for approval of building lines, consolidations, sub divisions and consent use applications within 3 months of receipt	12 Months	Approved building lines, consolidations, sub divisions and consent use applications within 3 months of receipt by June 2015	1 application received and not approved	0 applications received	0 applications received	0 applications received	Not Achieved	Item on approval of applications were tabled in the Portfolio Committee awaiting the Executive Committee meeting	Engage the Head of Portfolio to speed up tabling in the Executive Committee meeting	Council Resolution	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Turnaround time for approval of rezoning applications within 3 months of receipt	6 Months	Approved rezoning applications within 3 months of receipt by June 2015	0 applications received	0 applications received	1 application approved	1 application received and not approved	Not Achieved	Items were tabled in the Portfolio Committee awaiting the Executive Committee meeting	Engage the Head of Portfolio to speed up tabling in the Executive Committee meeting	Council Resolution	Operational	None
Developed land audit report and approved by Council	Mogwase and Madikwe land audit report	Approved Land Audit report by June 2015	Draft Terms of reference	Draft Terms of reference	Draft Terms of reference	Draft Terms of reference	Not Achieved	Project not budgeted for in the current financial year and lack of human capacity of the Unit	Project to be budgeted for 2015-2016 financial year and to speed up the process of recruitment	Council Resolution and Land Audit Report	Operational	None
Upgrading for Nkogolwe, Marapallo, Mogoditshane, Mantsho and	12 Months	Upgraded townships by June 2015	Township establishment application	Developed township layout	Developed township layout not signed	Plans submitted to the Surveyor	Not Achieved	Delay due to lack of consensus between stakeholders (MKLM	Political leadership to engage with all stakeholders	Approved township establishment	R 6 311 600,00	R 247 258,34

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Mantserre			approved by Council			General awaiting approval		and Dikgosi)	ers			
Number of proclaimed township establishment completed	12 Months	6 townships proclaimed by June 2015	Township establishment application approved by Council	Developed township layout	Developed township layout not signed	Plans submitted to the Surveyor General awaiting approval	Not Achieved	Delay due to lack of consensus between stakeholders (MKLM and Dikgosi)	Political leadership to engage with all stakeholders	Approved township establishment		
Number of by-laws developed and promulgated (Spatial planning and Land use management by-law &)	New	2 by-laws developed and promulgated by June 2015	Not Yet Due	0 by-law developed and promulgated	Not Yet Due	0 by-law developed and promulgated	Not Achieved	Lack of human capacity in the Unit	Establishment of the Joint Municipal Planning Tribunal as per SPLUMA to assist in the development of by laws in the 2015-	Council Resolution	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
									2016 financial year			
Number of municipal policies developed and implemented	New	2 policies developed by June 2015	Not Yet Due	0 policy developed	Not Yet Due	0 policy developed	Not Achieved	Lack of human capacity in the Unit	Establishment of the Joint Municipal Planning Tribunal as per SPLUMA to assist in the development of by laws in the 2015-2016 financial year	Council Resolution	Operational	None
Number of reports relating to the enforcement of by-laws and policies	New	4 reports of relating to the enforcement of by-laws and policies by June	0 reports relating to the enforcement of by-laws	0 reports relating to the enforcement of by-laws	0 reports relating to the enforcement of by-laws	0 reports relating to the enforcement of by-laws	Not Achieved	Lack of human capacity in the Unit	To speed up the process of recruitment	Reports	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
		2015										
Monitoring of RDP houses facilitated and completed	New	2120 houses completed by June 2015	0 houses completed	530 houses monitored and completed	720 houses monitored and completed	400 houses monitored and completed	Not Achieved	Implementation is done by the provincial Department of Human Settlement with their own service providers there municipality has no control	Engaged the Department of Human Settlement to speed up the implementation	Monitoring report	Funded by Provincial Department of Human Settlement	None
Number of RDP houses application forms facilitated	1638 application forms	500 forms by June 2015	150 application forms facilitated	230 application forms facilitated	230 application forms facilitated	Not Applicable	Achieved	None	None	Application form report	Operational	None
Number of housing support committee meetings	40 meetings	40 meetings held by June 2015	10 meetings held	10 meetings held	10 meetings held	10 meetings held	Achieved	None	None	Minutes and Attendance Register	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Turnaround time for issuing of none compliance notices within 48 hours of receipt	3 noncompliance notices within 48 hours	Turnaround time for issuing of none compliance notices within 48 hours of receipt by June 2015	0 applications received	0 applications received	0 applications received	0 applications received	Not Applicable	No applications received	None	Noncompliance Register	Operational	None
Turnaround time for approval of building plans within 4 weeks of receipt	139 approved within 4 weeks	Turnaround time for approval of building plans within 4 weeks of receipt by June 2015	30 applications within 4 weeks	12 applications within 4 weeks	17 applications within 4 weeks	15 applications within 4 weeks	Achieved	None	None	Building plans register	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Turnaround time to attend to building inspection requests within 72 hours of receipts	530 inspection within 72 hours	Turnaround time to attend to building inspection requests within 72 hours of receipts by June 2015	272 inspection requests received and attended to within 72 hours	17 inspection requests received and attended to within 72 hours	17 inspection requests received and attended to within 72 hours	166 inspection requests received and attended to within 72 hours	Achieved	None	None	Inspection requests register	Operational	None
Developed Housing Sector Plan and approved by Council	New	Approved housing sector plan by June 2015	Inception report and analysis submitted	Draft housing sector plan submitted	Housing sector plan submitted to Council	Approved housing sector plan	Achieved	None	None	Council Resolution	Operational	None
Local Economic Development												
Developed Tourism masterplan and approved by Council	New	Approved Tourism masterplan by June 2015	Service provider appointed	Strategy development process	Draft strategy developed	Draft Tourism master plan	Not Achieved	Item was tabled in the Portfolio Committee awaiting the	Engage the Head of Portfolio to speed up tabling in the	Council Resolution and Tourism master plan	R 500 000,00	R 599 546,78

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
								Executive Committee meeting	Executive Committee meeting			
Number of job opportunities created through Community Work Programme	New	1000 job opportunities created through CWP by December 2015	Not Yet Due	940 job opportunities created through CWP	Not Applicable	Not Applicable	Not Achieved	None	None	Beneficiaries contracts	R 568 000,00	R 568 000,00
Number of work opportunities created through Extended Public Works Programme	New	540 job opportunities created through EPWP by June 2015	734 job opportunities created	Not Applicable	Not Applicable	Not Applicable	Achieved	None	None	Beneficiaries contracts	R 1 800 000,00	R 4 600 000,00
Number of job opportunities created through other Municipal Initiatives (Infrastructure	New	200 job opportunities created through Municipal Initiatives	0 job opportunities created through Municipal Initiative	0 job opportunities created through Municipal Initiative	152 job opportunities created through Municipal Initiative	0 job opportunities created through Municipal Initiative	Not Achieved	No information supplied on job opportunities created	A job creation template has been circulated	Beneficiaries contracts	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
e Projects)		(Infrastructure Projects) by December 2015	s	s	s	s						
Number of cooperatives established and funded	5 cooperatives supported	10 cooperatives established and funded by June 2015	1 cooperatives established and funded	3 cooperatives established and funded	3 cooperatives established and funded	3 cooperatives established and funded	Achieved	None	None	Expenditure and registration report	R 1 723 542,00	R 665 369,20
Number of LED projects/cooperatives supported		13 cooperatives supported by June 2015	7 cooperatives supported	4 cooperatives supported	3 cooperatives supported	4 cooperatives supported	Achieved	Tenders were advertised, bidders responded, however internal challenges hampered evaluation processes	The tender to be advertised in the 2015-2016 financial year	Expenditure report		

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of municipal LED forum meetings convened	Forum meetings	2 municipal LED forum meetings convened by June 2015	Not Yet Due	2 municipal LED forums convened	Not Applicable	Not Applicable	Achieved	None	None	Minutes and Attendance Register	Operational	None
Developed business database system	New	Developed business database system by March 2015	ICT team consultation conducted	LED database not developed	LED database not developed	LED database not developed	Not Achieved	System users interviews not yet completed	To engage the appointed ICT service provider to facilitate the finalization of the process	Business database system	Operational	None
Number of LED feasibility studies conducted and business plans developed	New	6 feasibility studies conducted by June 2015	3 feasibility studies conducted	0 feasibility studies conducted	0 feasibility studies conducted	0 feasibility studies conducted	Not Achieved	The project was not properly planned and budgeted for	The projects to be completed in the 2015-2016 financial	Feasibility studies	R 475 000,00	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
									year			
Number of training programmes implemented	New	6 training programmes implemented by June 2015	2 training programmes implemented - Tourist guides and Live stock	Not Yet Due	1 training programme implemented	0 training programmes implemented	Not Achieved	The project was not properly planned and budgeted for	The projects to be completed in the 2015-2016 financial year	Attendance Register	R 528 226,00	R 397 000,00
Number of business campaigns conducted	New	3 business campaigns conducted by June 2015	Not Yet Due	2 business campaigns conducted	0 business campaign conducted - SMME workshop	0 business campaign conducted - SMME workshop	Not Achieved	Budgetary constraints	The project to be completed in the 2015-2016 financial year	Expenditure reports and attendance registers	R 845 232,00	R 1 360 883,26
Number of business campaigns supported and participated in	New	3 business campaigns supported and participated in by	Not Yet Due	Not Yet Due	1 business campaign	2 business campaigns	Achieved	None	None	Expenditure reports and attendance registers		

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
		June 2015										

Chapter 4

INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

CORPORATE SERVICES

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved /Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Human Resource Management												
Employment equity report submitted to the Department of Labour	2011-2016 Employment Equity Plan	Approved employment equity report by March 2015	Not Yet Due	Not Yet Due	Employment equity reported submitted	Not Applicable	Achieved	None	None	Acknowledgement letter from Department of Labour	Operational	None
Number of reports submitted to Council on the implementation of the Employment Equity Plan	4 reports on Employment Equity Plan	4 reports on the implementation of Employment Equity Plan by June 2015	0 report developed	0 report developed	1 report developed not submitted by Council	1 report developed not submitted by Council	Not Achieved	Items were tabled in the Portfolio Committee awaiting the Executive Committee meeting	Engage the Head of Portfolio to speed up tabling in the Executive Committee meeting	Council Resolution	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved /Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Developed Human Resource strategy implementation plan and approved by management	Approved Human Resource Strategy	Approved Human Resource strategy implementation plan by September 2014	Human resource implementation plan not developed	Human resource implementation plan not developed	Approved human resource implementation plan	Not Applicable	Achieved	None	None	Minutes of management	Operational	None
Human Resource strategy implementation committee established	Approved Human Resource Strategy	Human Resource strategy implementation committee established by September 2014	Human resource strategy implementation committee not established	Human resource strategy implementation committee not established	Human resource strategy implementation committee established	Not Applicable	Achieved	None	None	Appointment letters	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved /Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of reports on the Human Resource strategy implementation to Management	Approved Human Resource Strategy	4 reports on the implementation of the strategy by June 2015	0 report on the implementation of the strategy developed	0 report on the implementation of the strategy developed	0 report on the implementation of the strategy developed	0 report on the implementation of the strategy developed	Not Achieved	Delays in submission of names to serve on the Human resource implementation strategy committee, report awaiting submission to management meeting	Report to be submitted to management meeting in the 2015-2016 financial year	Minutes of management and implementation reports	Operational	None
Number of critical posts filled	Vacant critical posts	2 critical posts filled by June 2015	1 critical post filled - HOD Infrastructure & Technical	0 critical post filled - HOU: Town Planning	0 critical post filled - HOU: Town Planning	0 critical post filled - HOU: Town Planning	Not Achieved	Interviews were postponed due to the unavailability of panel	The interviews to be rescheduled in the 2015-2016	Appointment letters	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
			Services					members	financial year			
Number of posts filled as per the approved funded structure	Vacant posts	100 posts to be filled by June 2015	16 posts filled	6 posts filled	51 posts filled	9 posts filled	Not Achieved	Interviews were postponed due to the unavailability of panel members	The interviews to be rescheduled in the 2015-2016 financial year	Appointment letters	Operational	None
Number of internships and learnership programs implemented	New	5 internships and 8 learnership programs implemented by June 2015	5 Finance interns appointed	Not Applicable	Not Applicable	16 learnership programs implemented	Achieved	None	None	Appointment letters	R 14 034 150,00	R 15 129 721,81
Number of officials capacitated in terms of the Workplace skills plan	2013-2014 workplace skills plan	208 Officials capacitated by June 2015	Not Yet Due	Not Yet Due	Not Yet Due	192 officials	Not Achieved	The Budget was exhausted due to the non alignment	The Workplace skills plan to be implemented	Certificates and attendance register		

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
								of training to the Workplace Skills Plan	properly in the 2015-2016 financial year			
Number of councillors trained in terms of the Workplace Skills Plan	2013-2014 workplace skills plan	57 Councillors trained by June 2015	Not Yet Due	Not Yet Due	Not Yet Due	61 Councillors	Achieved	None	None			
Report on the 2014-2015 Workplace skills plan submitted to LGSETA	2013-2014 workplace skills plan report	Report on workplace skills plan submitted to LGSETA by April 2015	Not Yet Due	Not Yet Due	Not Yet Due	Report on workplace skills plan submitted to LGSETA	Achieved	None	None	Acknowledgement letter from LGSETA	Operational	None
2015-2016 Workplace Skills Plan submitted to LGSETA	2013-2014 workplace skills plan	2015-2016 Workplace Skills Plan submitted to LGSETA by April 2015	Not Yet Due	Not Yet Due	Not Yet Due	2015-2016 workplace skills plan submitted	Achieved	None	None	Acknowledgement letter from LGSETA	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline report	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved /Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of reports on the functionality of Local Labour Forum submitted to Council	2013-2014 Local Labour Forum reports	4 reports submitted to Council by June 2015	0 reports submitted to Council	0 reports submitted to Council	0 reports submitted to Council	0 reports submitted to Council	Not Achieved	Items were tabled in the Portfolio Committee awaiting the Executive Committee meeting	Engage the Head of Portfolio to speed up tabling in the Executive Committee meeting	Council Resolution	Operational	None
Number of Local Labour Forum meetings held	12 Local Labour Forums	12 meetings held by June 2015	3 meetings held	3 meetings held	3 meetings held	3 meetings held	Achieved	None	None	Minutes	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Developed Employee Performance Management System policy implementation plan	Employee Performance Management System Policy	Employee Performance Management System implementation plan by September 2014	Employee Performance Management System implementation plan not developed	Employee Performance Management System implementation plan not developed	Employee Performance Management System implementation plan developed	Not Applicable	Achieved	None	None	Employee Performance Management System policy implementation plan	Operational	None
Number of reports on the Employee Performance Management Policy implementation plan and submitted to Management	New	3 reports on the Employee Performance Management Policy implementation plan by June 2015	Not Yet Due	0 reports on the Employee Performance Management System implementation plan	1 report on the Employee Performance Management System implementation plan	2 reports on the Employee Performance Management System implementation plan	Achieved	None	None	Employee Performance Management System policy implementation plan reports	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Percentage implementation of Occupational Health and Safety policy	Approved OHS policy	100 % implementation of OHS policy	0% implementation of OHS policy	0% implementation of OHS policy	0% implementation of OHS policy	0% implementation of OHS policy	Not Achieved	The OHS baseline was not taken into consideration which resulted in the target being overstated	To review the target in the 2015-2016 financial year	OHS policy implementation report	Operational	None
Number of Human Resource policies developed and approved by Council	New	4 policies approved by June 2015	0 policies approved	0 policies approved	0 policies approved	0 policies approved	Not Achieved	Workshops cancelled due to non attendance of internal stakeholders	Monitoring and implementation of disciplinary code to address non attendance	Council Resolution	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of Human Resource policies reviewed and approved by Council	Approved policies	4 policies reviewed and approved by June 2015	0 policies approved	0 policies approved	0 policies approved	0 policies approved	Not Achieved	Workshops cancelled due to non attendance of internal stakeholders	Monitoring and implementation of disciplinary code to address non attendance	Council Resolution	Operational	None
Administration and Secretariat												
Number of Council meetings provided with secretariat services timeously	2013-2014 council sittings	7 meetings provided with secretariat services within 7 days by June 2015	1 Council meeting held	3 Council meeting held	3 Council meetings held	2 Council meetings held	Achieved	None	None	Agenda, distribution list and Minutes	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved /Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of Executive Committee meetings provided with secretariat services timeously	2013-2014 Executive Committee sittings	12 meetings provided with secretariat services within 4 days by June 2015	1 Executive Committee meeting held	3 Executive Committee meetings held	3 Executive Committee meetings held	2 Executive Committee meetings held	Not Achieved	Non adherence to Executive Committee schedules	Engage political leadership to assist	Agenda, distribution list and Minutes	Operational	None
Number of Portfolio Committee meetings provided with secretariat services timeously	2013-2014 Portfolio Committee sittings	96 meetings provided with secretariat services within 2 days by June 2015	46 meetings				Not Achieved	Non adherence to Portfolio Committee schedules	Engage political leadership to assist	Agenda, distribution list and Minutes	Operational	None
			Finance - 11									
			Infrastructure and Technical Services - 7									
			Human Settlement - 3									
			Local Economic Development - 3									
			IDP and PMS - 8									
			Special Projects - 3									
			Community Services - 2									
			Corporate Services - 7									

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of MPAC meeting provided with secretariat services timeously	2013-2014 MPAC sittings	5 meetings provided with secretariat services within 7 days by June 2015	2 MPAC meetings held	0 MPAC meetings held	7 MPAC meetings held	6 MPAC meetings held	Achieved	None	None	Agenda, distribution list and Minutes	Operational	None
Developed records management policy and approved by Council	New	Approved records management policy by September 2015	Approved records management policy	Not Applicable	Not Applicable	Not Applicable	Achieved	None	None	Council Resolution	Operational	None
Developed file plan and approved by Council	New	Approved file plan by September 2014	Draft File Plan	Draft File Plan	Approved File Plan	Not Applicable	Achieved	None	None	Council Resolution	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved /Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Developed records management procedure manual and approved by Council	New	Approved records procedure manual by September 2014	Draft Records Management Procedure Manual	Approved Records Management Procedure Manual	Not Applicable	Not Applicable	Achieved	None	None	Council Resolution	Operational	None
Developed records management implementation plan and approved by Council	New	Approved records management implementation plan by September 2015	Records Management Implementation Plan not developed	Records Management Implementation Plan not developed	Records Management Implementation Plan not developed	Records Management Implementation Plan not developed	Not Achieved	Delay due to Provincial Department of Archives to hand over the file plan which includes the implementation plan	Engage Provincial Department of Archives to present the file plan in the 2015-2016 financial year	Council Resolution	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of reports on the implementation of the records management implementation plan	New	2 records management implementation plan reports by June 2015	0 records management implementation plan reports	0 records management implementation plan reports	0 records management implementation plan reports	0 records management implementation plan reports	Not Achieved	Delay due to Provincial Department of Archives to hand over the file plan which includes the implementation plan	Engage Provincial Department of Archives to present the file plan in the 2015-2016 financial year	Records Management implementation plan reports	Operational	None
Established customer care centre	New	Established customer care centre by September 2014	Customer care centre not established	Customer care centre not established	Customer care centre not established	Customer care centre established	Achieved	None	None	Established customer care centre	R 2 000 000,00	R 2 000 000,00
Conducted customer satisfaction survey	New	Customer satisfaction survey conducted by December	Not Yet Due	Customer satisfaction report	Customer satisfaction report	Customer satisfaction report survey not conducted	Not Achieved	The customer satisfaction survey report	To complete the survey in the	Customer Care survey report		

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved /Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
		2014		survey not conducted	survey not conducted			not yet consolidated	2015-2016 financial year			
Information and Communication Technology												
Developed Municipal website	Municipal website	Developed website by September 2014	Website Developed	Not Applicable	Not Applicable	Not Applicable	Achieved	None	None	Website project completion report	R 55 000 000,00	R 70 000 000,00
Upgraded Network	Municipal network	Upgraded network by June 2015	Not Yet Due	Network upgraded	Not Applicable	Not Applicable	Achieved	None	None	Network upgrade report		
Percentage of ICT equipment's replaced based on the analysis report	ICT equipment's	100 % replacement of ICT equipment's by June 2015	25 % ICT equipment replaced	25 % ICT equipment replaced	25 % ICT equipment replaced	25 % ICT equipment replaced	Achieved	None	None	Delivery reports		
Number of reports on the computer	ICT reports	4 reports on computer repairs and maintenance	1 computer and mainten	1 computer and mainten	1 computer and mainten	1 computer and mainten	Achieved	None	None	Repairs and maintenance	R 300 000,00	R 2 828,20

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved /Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
repairs and maintenance		by June 2015	ance report	ance report	ance report	ce report				reports		
Turnaround time for resolving ICT queries within 24 hours of reporting	2013-2014 ICT queries	Turnaround time for resolving ICT queries within 24 hours of reporting by June 2015	Resolved ICT queries within 24 hours	Resolved ICT queries within 24 hours	Resolved ICT queries within 24 hours	Resolved ICT queries within 24 hours	Achieved	None	None	ICT call register	Operational	None
Established ICT strategic committee	New	ICT Strategic Committee established by September 2014	ICT Strategic Committee not established	ICT Strategic Committee established	Not Applicable	Not Applicable	Achieved	None	None	Appointment letters	Operational	None
Number of ICT strategic committee meetings held	New	4 meetings by June 2015	0 ICT strategic committee meeting held	0 ICT strategic committee meeting held	0 ICT strategic committee meeting held	0 ICT strategic committee meeting held	Not Achieved	The meetings did not		Minutes and Attendance Register	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved /Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of ICT steering committee meetings held	New	12 meetings by June 2015	1 ICT steering committee meeting held	0 ICT steering committee meeting held	0 ICT steering committee meeting held	0 ICT steering committee meeting held	Not Achieved	Delay in approving the request of renewal of committee	Fast-track the renewal of the committee	Minutes and Attendance Register	Operational	None
Number of training provided to ICT functionaries (Strategic and Steering Committees)	New	2 trainings provided by June 2015	0 trainings provided	0 trainings provided	0 trainings provided	0 trainings provided	Not Achieved			Certificates and attendance register	Operational	None
Number of MCGICTPF policies developed	New	8 policies developed by June 2015	0 policies approved	2 policies approved - (ICT Risk policy +	0 policies approved - (Municipal	0 policies approved	Not Achieved	Delay in consultation of draft policies between	Submit 4 policies for approval in the	Council Resolution	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
				ICT charter)	Enterprise + ICT portfolio programme)			internal ICT Unit and ICT consultants	next quarter			
Appointed ICT governance champion	New	ICT governance champion appointed by September 2014	ICT governance champion not appointed	ICT governance champion appointed	Not Applicable	Not Applicable	Achieved	None	None	Appointment letters	Operational	None
Legal Services												
Turnaround time for development and promulgation of by-laws within 6 months of request	New	Turnaround time for development and promulgation of by-laws within 6 months of request by June 2015	Environmental By-Law developed	No requests submitted	Environmental By-Law developed not promulgated	Land Use Management By-Law developed not promulgated	Not Achieved	The public participation for the environmental management by-law was held late on the 4th June	Finalisation and promulgation to be conducted in 2015-2016 financial year	By-Law register	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
								2015. Land use management public participation not held.				
Turnaround time for development of Service Level Agreements within 14 days of request	New	Turnaround time for development of Service Level Agreements within 14 days of request by June 2015	Service Level Agreements developed	Service Level Agreements developed	Service Level Agreements developed	Service Level Agreements developed	Achieved	None	None	SLA register	Operational	None
Turnaround time for complex legal opinions within 30 days of request	New	Turnaround time for complex legal within 30 days of request by June 2015	Complex legal opinion given	Complex legal opinion given	Complex legal opinion given	Complex legal opinion given	Achieved	None	None	Legal opinion register	Operational	None
Turnaround	New	Turnaround	Less-	Less-	Less-	Less-	Achieved	None	None	Legal	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Time for less-complex legal opinions within 15 days of request		Time for less-complex within 15 days of request by June 2015	Complex legal opinion given	Complex legal opinion given	Complex legal opinion given	Complex legal opinion given	Achieved			Opinion register	Nil	
Supplementary/Amendment valuation roll compiled and approved by Council	2013-2014 supplementary/amendment valuation roll	Supplementary/Amendment valuation roll approved by June 2015	Not Yet Due	Not Yet Due	Not Yet Due	Supplementary/Amendment valuation roll approved	Achieved	None	None	Council Resolution	Operational	None
Reviewed delegation system and approved by Council	2013-2014 delegation system	Reviewed delegation system by June 2015	Not Yet Due	Not Yet Due	Not Yet Due	Approved delegation system	Achieved	None	None	Council Resolution	Operational	None

PERFORMANCE MANAGEMENT SYSTEMS

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved /Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Developed institutional Performance Management framework and approved by Council	13-14 Institutional Performance Management Framework	Approved institutional Performance Management framework by July 2014	Institutional performance management framework not developed	Approved institutional Performance Management framework	Not Applicable	Not Applicable	Achieved	None	None	Council Resolution	Operational	None
Number of SDBIP quarterly performance reports generated	13-14 SDBIP quarterly performance reports	4 SDBIP quarterly performance reports by June 2015	2013-2014 4th quarter review conducted	1st quarter review conducted	2nd quarter review conducted	3rd quarter review conducted	Achieved	None	None	Attendance Register	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved /Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Developed report on annual municipal performance 13/14 in compliance with section 46	13-14 Annual Performance Report	1 Section 46 Annual Performance Report generated by August 2014	1 Section 46 Annual Performance Report	Not Applicable	Not Applicable	Not Applicable	Achieved	None	None	Acknowledgment Letter	Operational	None
Municipal Council oversight report submitted to MEC for Local Government	13-14 Oversight Report	1 Municipal Council oversight report submitted to MEC for Local Government by March 2016	Not Yet Due	Not Yet Due	Municipal Council oversight report submitted to the MEC	Not Applicable	Achieved	None	None	Acknowledgment Letter	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved /Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of signed performance agreements by Municipal Manager and Section 56 employees	13-14 Performance Agreements	6 Performance Agreements signed by MM and Section 56 employees by July 2014	6 Performance Agreements signed	Not Applicable	Not Applicable	Not Applicable	Achieved	None	None	Signed Performance Agreements	Operational	None
Number of individual performance reviews conducted	New	4 individual performance reviews by June 2015	0 individual performance reviews conducted	0 individual performance reviews conducted	0 individual performance reviews conducted	0 individual performance reviews conducted	Not Achieved	The individual reviews were not conducted due to the wrong placement in the Performance Management Systems Unit	The individual reviews to be placed and implemented by the HOD: Corporate Services in 2015-2016 financial year	Individual review report	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved /Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Approved 2015/2016 SDBIP aligned to IDPs and budget	2014-2015 SDBIP	Approved 2015-2016 SDBIP by June 2015	Not Yet Due	Not Yet Due	Not Yet Due	2015/2016 Approved SDBIP	Achieved	None	None	Council Resolution	Operational	None

MUNICIPAL FINANCIAL VIABILITY

BUDGET AND TREASURY OFFICE

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of Monthly budget statements (section 71 reports) submitted by the 10th working day.	12 monthly budget statements	12 monthly budget statements submitted to Provincial Treasury by June 2015	3 budget statements submitted to provincial treasury	3 budget statements submitted to provincial treasury	3 budget statements submitted to provincial treasury	3 budget statements submitted to provincial treasury	Achieved	None	None	Acknowledgement letters	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measure s taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of quarterly Section 52 reports submitted to Council	4 Section 52 reports	4 Section 52 reports submitted to Council by June 2015	1 section 52 report	1 section 52 report	1 section 52 report	1 section 52 report	Achieved	None	None	Council Resolution	Operational	None
Mid-year budget and Performance report submitted to Council	2013-2014 midyear budget report	2014/15 midyear budget report submitted to Council by January 2015	Not Yet Due	Not Yet Due	Mid year budget report has been submitted to council in January 2015	Not Applicable	Achieved	None	None	Council Resolution	Operational	None
Developed 2014/15 adjustment budget and approved by Council	2013-2014 adjustment budget	Approved 2014/15 adjustment budget by February 2015	Not Yet Due	Not Yet Due	Adjustment budget report has been submitted to council	Adjustment budget report has been submitted to council in June 2015	Achieved	None	None	Council Resolution	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measure s taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
					in February 2015							
Reviewed Finance policies and approved by Council	2013-2014 finance policies	Reviewed and adopted finance policies by May 2015	Not Yet Due	Not Yet Due	Not Yet Due	Reviewed and adopted finance policies by end May 2015: Assets management policy, - SCM Policy, - Credit control policy, Indigent policy, - Tariff policy	Achieved	None	None	Council Resolution	Operational	None
Draft budget developed and submitted to council.	2013-2014 draft budget	Approved draft budget by March 2015	Not Yet Due	Not Yet Due	Submitted to Finance portfolio	Draft budget approved March 2015	Achieved	None	None	Council Resolution	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measure s taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Developed 2014/15 budget and approved by Council	2013-2014 approved budget	2014/15 budget developed and approved by 31 May 2015	Not Yet Due	Not Yet Due	Not Yet Due	Budget report has been submitted to council in May 2015	Achieved	None	None	Council Resolution	Operational	None
2013/2014 Annual Financial Statements submitted to Auditor General	2012-2013 Annual Financial Statements	2013/2014 Annual Financial Statements submitted by 31 August 2014	Financial statements were developed and submitted to AG	Not Applicable	Not Applicable	Not Applicable	Achieved	None	None	Acknowledgement letters	Operational	None
Percentage reduction of audit queries	80% reduction in audit queries	80% reduction in audit queries by June 2014	Not Yet Due	Not Yet Due	Action plan developed	Action plan developed	Not Achieved	Item awaiting finalisation by MPAC for Council consideration	To be tabled in Council in the 2015-2016 Financial Year	Audit action plan	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Turnaround time on payments creditors within 30 days of receipt of invoice	Creditors paid within 30 days	Creditors paid within 30 days by June 2015	Age analysis report monitored monthly	Age analysis report monitored monthly	Age analysis report monitored monthly	Age analysis report monitored monthly	Achieved	There is no register kept to monitor the turnaround time of received invoices	To develop an invoice payment register in the 2015-2016 financial year	Invoice register	Operational	None
Number of asset management and disposal committee training conducted	1 workshop conducted	1 workshop conducted for assets disposal committee	Not Yet Due	Asset disposal committee workshop conducted	Not Applicable	Not Applicable	Achieved	None	None	Attendance Register	Operational	None
Number of asset management and disposal committee meetings held	4 asset management committee	4 asset management and disposal committee meetings held by June 2015	1 Meeting held	1 Meeting held	1 Meeting held	1 Meeting held	Achieved	None	None	Minutes and Attendance Register	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measure s taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
	meetings held											
Number of assets disposal reports submitted to council	2 assets disposal	2 assets disposal reports submitted to Council by June 2015	Not Yet Due	0 reports submitted to Council	Not Yet Due	0 reports submitted to Council	Not Achieved	No reports submitted to the Disposal Committee for consideration by Council	The engage all Heads of Departments to submit their disposal lists to the Disposal Committee for consideration by Council by September 2015	Disposal reports	Operational	None
Number of reports on the updated GRAP	Asset register	4 reports on the updated assets register by	1 report on updated GRAP compliance	1 report on updated GRAP compliance asset	1 report on updated GRAP	1 report on updated GRAP compliance asset	Achieved	None	None	Compliance assets register reports	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measure s taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
compliance assets register		June 2015	ce asset register	register	compliance asset register	register						
Implement ed electronic ordering system	New	Implement ed electronic ordering system by September 2014	The stationery and the printing machine for the orders was awaiting set up by the service provider	The system for electronic orders is functional and few orders have been printed	Not Applicable	Not Applicable	Achieved	None	None	Order print out	Operational	None
Number reports on the supplier database updates	updated supplier database	4 reports on the updated supplier database by June 2015	1 report on the updated supplier database	1 report on the updated supplier database	1 report on the updated supplier database	1 report on the updated supplier database	Achieved	None	None	Supplier database reports	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measure s taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of supply chain management reports submitted to Council	4 supply chain management reports	4 supply chain management reports submitted to Council by June 2015	1 2013-2014 4th quarter supply chain management report	1 2014-2015 1st quarter supply chain management report	1 2014-2015 2nd quarter supply chain management report	1 2014-2015 3rd quarter supply chain management report	Achieved	None	None	Council Resolution	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measure s taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Turnaround time for the awarding of competitive bids within 90 days of advert closing date	2013-2014 advertised tenders	Turnaround time for the awarding of competitive bids within 90 days of advert closing date by June 2015	10 projects were advertised for 2014/2014 all tenders were adjudicated within the 90 days validity period ,and another projects were advertised within this period but for 2015/16	One (1) tender awarded within the tender validity period. Seven (7) awarded within the extended tender validity period. Seven (7) not yet awarded and within the tender validity period. Three not yet awarded and within the tender validity period	eight (8) tender awarded within the tender that period. Three not yet awarded and within the tender validity period	10 projects were advertised for 2014/2014 all tenders were adjudicated within the 90 days validity period ,and another projects were advertised within this period but for 2015/16	Not Achieved	More bids were advertised and committees struggled to form a quorum. There have been challenges with regard interpretation of SCM regulations between bid committees members, which caused the delay the in the finalisation of tenders.	Bid committee dates were revised wherein committees were expected to sit twice a week. More standby members were appointed.	Appointment letters and tender register	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measure s taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Turnaround time for the awarding of public notices within 30 days of advert closing date	2013-2014 advertised public notices	Turnaround time for the awarding of public notices within 30 days of advert closing date by June 2015	19 public notices advertised, 9 awarded, 10 advertised due to non availability of procuring department	5 public notices awarded within thirty (30) days. 1 not yet awarded and has exceeded 30 days validity period. 4 cancelled.	7 public notices awarded within thirty (30) days, awarded and has exceeded 30 days validity period. 4 cancelled.	19 public notices advertised, 9 awarded, 10 advertised due to non availability of procuring department	Not Achieved	Delays by procuring department to approve delegations and complete purchase requisitions	Sent constant reminders. Issue appointment letters instead of purchase orders.	Appointment letters and tender register	Operational	None
2014/2015 procurement plan developed	2013-2014 procurement plan	Developed procurement plan by September 2014	Procurement plan not developed	Procurement plan not developed			Achieved	None	None	Procurement plan	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measure s taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of annual tenders for operational items awarded	New	5 annual tenders to be awarded by June 2015	Not Yet Due	Not Yet Due	Not Yet Due	Hygiene, PPE, Stores Materials, Printer Cartridges, Paper	Achieved	None	None	Appointment letters	Operational	None
Percentage increase in revenue collected	2013-2014 revenue collected	15% increase in revenue collected by June 2015	Not Yet Due	Not Yet Due	collection to date R108 417 000	collection to date R128 638 500	Achieved	None	None	Billing Reports	Operational	None
Updated financial management system with Supplementary valuation roll	2013-2014 supplementary roll	Supplementary roll uploaded into the FMS System	Not Yet Due	Not Yet Due	Approved supplementary roll	Supplementary roll updated into the financial management system	Achieved	None	None	print out of uploaded valuation roll onto financial management system	Operational	None
Number of credit control campaigns conducted	2 credit control camp	2 credit control campaigns conducted by June	Not Yet Due	Not Yet Due	1 credit control campaign conducted	N/a	Achieved	None	None	Attendance Register	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
	aligns	2015			ted - Unit 8							
Number of reports on the verification and updating of the indigent register submitted to Council	2 indigent register reports	2 reports by June 2015	updating of indigent register is on-going	updating of indigent register is on-going	updating of indigent register is on-going	Not achieved	Not Achieved	None	None	Council Resolution	Operational	None
Number of verification and updating of the indigent register (FBE) reports submitted to Council	4 reports by	4 reports by June 2015	updating of indigent register is on-going	updating of indigent register is on-going	updating of indigent register is on-going	No report submitted	Not Achieved	The Free Basic Electricity reports were awaiting the renumbering of stands by Stats SA	The Free Basic Electricity reports to be submitted in the 2015-2016 financial year	Council Resolution	Operational	None
Number of debtors reconciled	12 reconciled	12 debt reconciliations by June	3 debtors reconciled	3 debtors reconciliations	3 debtors reconciled	3 debtors reconciliations	Achieved	None	None	Reconciliation report	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measure s taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
ons conducted	ons	2015	ations conducted	conducted	iations conducted	conducted						
Number of salary reconciliations conducted	12 reconciliations	12 salary reconciliations by June 2015	3 salary reconciliations conducted	3 salary reconciliations conducted	3 salary reconciliations conducted	3 salary reconciliations conducted	Achieved	None	None	Reconciliation report	Operational	None
Number of VAT returns submitted to SARS	12 reconciliations	12 VAT returns submitted by June 2015	3 VAT returns submitted	3 VAT returns submitted	3 VAT returns submitted	3 VAT returns submitted	Achieved	None	None	Acknowledgement letters	Operational	None
Developed expenditure documents management register	Document register	Document register by June 2015	Document register Not applicable	Document register Not applicable	Document register Not applicable	Document register Not applicable	Not Applicable	Electronic document register in place	No longer applicable because documents are scanned and filled electronically	Not Applicable	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of bank reconciliation conducted	12 reconciliations	12 bank reconciliations conducted by June 2015	3 bank reconciliations conducted	3 bank reconciliations conducted	3 bank reconciliations conducted	3 bank reconciliations conducted	Achieved	None	None	Reconciliation report	Operational	None
Number of investment reconciliation conducted	12 reconciliations	12 investment reconciliations conducted by June 2015	3 investment reconciliations conducted	3 investment reconciliations conducted	3 investment reconciliations conducted	3 investment reconciliations conducted	Achieved	None	None	Reconciliation report	Operational	None
Number of grants reconciliation performed	12 reconciliations	12 grant reconciliations by June 2015	3 grants reconciliations conducted	3 grants reconciliations conducted	3 grants reconciliations conducted	3 grants reconciliations conducted	Achieved	None	None	Reconciliation report	Operational	None
Number of vacant posts filled	6 vacant post	6 vacant post to be filled by March 2015 - (CFO's secretary, Creditors	Not Yet Due	Not Yet Due	2 positions filled (SCM Clerk and Payroll	SCM Clerk, Assets Clerk and Creditors Clerk not appointed	Not Achieved	The requests for the advertising of posts not submitted	The request to be submitted in the 2015-2016	Appointment Letters	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measure s taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
		Clerk, SCM Clerk x2, Payroll Clerk, Assets Clerk)			Clerk)			(SCM Clerk, Assets Clerk and Creditors Clerk) - The CFO secretary not appointed due to lack of office space	financial year			
Number of interns appointed	7 interns appointed	7 interns appointed by March 2015	Achieved - 7. Interns appointed	Not Applicable	Not Applicable	Not Applicable	Achieved	None	None	Appointment letters	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measure s taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of Bid committees members training conducted	2 training workshops	2 training workshops conducted by June 2015 (1st in the second quarter and 2nd in the 4th quarter)	Not Yet Due	Workshop could not materialize due to prioritisation of tender awards and none confirmation of the date by the Provincial Treasury.	2 training workshops conducted	Not Applicable	Achieved	None	None	Attendance Register	Operational	None
Number of Budget and Treasury Office staff meetings held	New	3 Budget and Treasury Office staff meetings held by June 2015	The meeting was planned to take place in Madikwe and was postponed due to unavailability of officials.	The meeting date was reschedule to other commitment and attendance of SCOPA meetings	2 Budget and Treasury Office staff meeting held	1 Budget and Treasury Office staff meeting held	Achieved	None	None	Minutes and Attendance Register	Operational	None

Chapter 4

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Reviewed and approved internal audit charter	2013-2014 Internal Audit Charter	Reviewed and approved internal audit charter approved by Audit Committee by July 2014	Internal audit charter not approved	Internal audit charter not approved	Approved internal audit charter	Not Applicable	Achieved	None	None	Minutes and Attendance Register	Operational	None
Reviewed and approved strategic risk based internal audit plan	2013-2014 Internal Audit Risk Based Plan	Reviewed and approved strategic risk based internal audit plan approved by Audit Committee by July 2014	Internal audit risk based plan not approved	Internal audit risk based plan not approved	Approved risk based internal audit plan	Not Applicable	Achieved	None	None	Minutes and Attendance Register	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of reports on Performance Information audits conducted	4 reports on performance information audits	4 reports on Performance Information audits by June 2015	1 audit of performance information conducted	1 audit of performance information conducted	1 audit of performance information conducted	1 audit of performance information conducted	Achieved	None	None	Reports	Operational	None
Number of reports on compliance audit conducted	4 reports on compliance audits	4 reports on compliance audits conducted by June 2015	1 report on compliance audits - Integrated Development Plan	0 report on compliance audits	1 report on compliance audits - Extended Public Works Programme	0 report on compliance audits	Not Achieved	No dedicated person in the risk management unit to develop the risk assessment register and late approval of the Risk based audit plan	Proposal sent to Corporate Services for inclusion of Chief Risk Officer in Organisational Structure. Timeous submission of the risk based audit plan to the Audit committee for approval.	Reports	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of risk based audits conducted	5 risk based audits	6 risk based audits by June 2015	0 risk based audits	0 risk based audits	1 risk based audits Cell phone audit	2 risk based audits - Fleet management audit - Overtime	Not Achieved	No dedicated person in the risk management unit to develop the risk assessment register and late approval of the Risk based audit plan - Scope limitation on Cell phone audit	Proposal sent to Corporate Services for inclusion of Chief Risk Officer in Organisational Structure. Timeous submission of the risk based audit plan to the Audit committee for approval.	Reports	Operational	None
None	None	6 follow up audits by June 2015	0 follow up audits	2 follow up audits - Leave and Environment	2 follow up audits - Subsistence and Travel, Human	0 follow up audits	Not Achieved	Late approval of the engagement letter. Non implement	Municipal Manager will be part of all internal audit entry and closing.	Reports	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
					Resource Management			ation of the agreed upon action plans/recommendations	Address the matter with management and report to the audit committee			
Number of reports on the issues raised by the Auditor General to improve on audit outcome	2013-2014 Auditor General report	4 reports on the issues raised by the Auditor General to improve on audit outcome by June 2015	1 follow up report	1 follow up report	1 follow up report	1 follow up report	Achieved	None	None	Reports	Operational	None
Number of Audit Committee meetings held	3 meetings	4 Audit Committee meetings held by June 2015	0 Audit Committee meeting held	0 Audit Committee meeting held	1 Audit Committee meeting held	0 Audit Committee meeting held	Not Achieved	Non adherence to the approved schedule and non availability of the	Report to the Municipal Manager and engage the Audit Committee on	Reports	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
								Audit Committee members	adherence to the approved schedule			
Number of Internal Audit reports submitted to the Audit Committee	New	4 Internal Audit reports submitted to the Audit Committee by June 2015	0 Internal Audit report submitted	0 Internal Audit report submitted	0 Internal Audit report submitted	5 Internal Audit report submitted - Progress on action plan - Follow up on Legislature compliance - Leave Management follow up - 3rd Quarter predetermined objectives - Strategic Planning Management	Achieved	None	None	Reports	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of Audit Committee reports submitted to Council	New	4 Audit Committee reports submitted to Council by June 2015	0 Audit Committee reports submitted to Council	0 Audit Committee reports submitted to Council	0 Audit Committee reports submitted to Council	0 Audit Committee reports submitted to Council	Not Achieved	The Speaker requested that the report be presented in the next meeting	The report to be presented in the April Council sitting - Include the Audit Committee presentation to Council in the Corporate Calendar for the 2015-2016 financial year	Reports	Operational	None
Functional risk management unit established	New	Functional risk management unit established by June 2015	Functional risk management unit not established	Functional risk management unit not established	Functional risk management unit not established	Functional risk management unit not established	Not Achieved	Delays in the finalisation of the structure resulting in the late establishment of risk	To engage Municipal Manager and HOD: Corporate Services	Appointment letters	Operational	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
								management unit				
Number of risk committee reports submitted to Council	New	4 risk committee reports submitted to Council by June 2015	0 reports risk committee reports submitted to Council	0 reports risk committee reports submitted to Council	0 reports risk committee reports submitted to Council	0 reports risk committee reports submitted to Council	Not Achieved	Risk committee not established	To establish the risk committee in the 2015-2016 financial year	Council resolution	Operational	None
Risk assessment conducted	2013-2014 risk register	Risk assessment conducted	Risk assessment not finalised	Risk assessment not finalised	Risk assessment not finalised	Risk assessment not finalised	Not Achieved	Risk management function not yet implemented	The Chief Risk Officer to be appointed in the 2015-2016 financial year	Risk register	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Office of the Speaker												
Number public participation meetings held	8 public participation meetings	2 public participation meetings by June 2015	Not Yet Due	3 public participation meetings (1st Consultation Demarcation, Environmental By-Law, 2nd Consultation Demarcation)	Not Applicable	Not Applicable	Achieved	None	None	Attendance Register	Operational	None
Number of legislated council meetings	4 Council meetings	4 Council meetings by June 2015	1 Council Meeting	1 Council Meeting	1 Council Meeting	1 Council Meeting	Achieved	None	None	Agenda Notice and Attendance Register	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of extra ordinary council meetings	New	3 extra ordinary council meetings by June 2015	Not Yet Due	Not Yet Due	0 Extraordinary Council meetings held	3 Extraordinary Council Meetings	Achieved	None	None	Agenda Notice and Attendance Register	Operational	None
Number of MPAC public participation meetings on the annual report	New	2 MPAC public participation meetings on the annual report by June 2015	Not Yet Due	Not Yet Due	3 MPAC public participation meetings held	Not Applicable	Achieved	None	None	Agenda Notice and Attendance Register	Operational	None
Developed and adopted public participation strategy	New	Developed and adopted public participation strategy by December 2014	Not Yet Due	Public participation strategy not developed	Public participation strategy not developed	Draft public participation strategy developed	Not Achieved	The legal opinion advised that the policy be outsourced, the policy was not properly budgeted	The project to be properly budgeted for in the 2015-2016 financial year	Council Resolution	R 100 000,00	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
								for (lower than market value)				
Number MPAC reports with recommendations submitted to council	New	4 MPAC reports with recommendations submitted to council by June 2015	1 MPAC report submitted to Council	1 MPAC report submitted to Council	1 MPAC report submitted to Council	1 MPAC report submitted to Council	Achieved	None	None	Reports	Operational	None
Number of MPAC meetings held	4 meetings held	4 MPAC meetings held by June 2015	1 MPAC meeting held	0 MPAC meeting held	8 MPAC meetings held	1 MPAC meeting held	Achieved	None	None	Minutes and Attendance Register	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of monitoring reports on the percentage implementation of council resolution	New	4 monitoring reports on the percentage implementation of council resolution	0 monitoring reports	0 monitoring reports	0 monitoring reports	0 monitoring reports	Not Achieved	The Council resolution register was developed however was not properly monitored due to the wrong placement in the Office of the Speaker	The monitoring reports to be placed and implemented by the HOD: Corporate Services in 2015-2016 financial year	Reports	Operational	None
Number of reports on the functionality of Ward committees	New	4 reports on the functionality of ward committees	1 report on the functionality of ward committees	1 report on the functionality of ward committees	1 report on the functionality of ward committees	1 report on the functionality of ward committees	Achieved	None	None	Reports	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Office of the Mayor												
Number of mayoral events held	6 mayoral events	28 events in 31 wards by June 2015 list of events	2 events (Mandela Day event Pitsedisulejang, Woman's Day Phela)	8 events held (Launching of Elderly sub forum Mabele a Podi, Launching of elderly sub forum Phadi, World AIDs day Brakuil, World AIDs day Mogwase, 16 days of Activism Mogwase, Senior	1 event held (Easter prayer service Mogwase)	4 events held (Youth Day event Mogwase, Senior citizens event Mogwase, Youth day event Kortkloof, HIV AIDs awareness event Manamak goteng)	Not Achieved	Unavailability of Councillors (Heads of Portfolios and Executive) due to ICT Training programme, Unplanned National and Provincial events which received priority	Alignment of the plans of the Office of the Mayor with other spheres of government and training programmes	Reports	R 1 700 000,00	R 927 405,65

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
				citizens event Sandfontein, Senior Citizens event Tlokwen g, Senior Citizens event Koffiekraal)								
Number of mayoral Imbizos convened	New	2 Imbizos by June 2015	Not Yet Due	0 Mayoral Imbizo conducted	0 Mayoral Imbizo conducted	0 Mayoral Imbizo conducted	Not Achieved	Unavailability of Councillors (Heads of Portfolios and Executive) due to ICT Training programme , Unplanned National and Provincial	Alignment of the plans of the Office of the Mayor with other spheres of government and training programmes	Reports	R 662 000,00	None

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Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
								events which received priority				
Number portfolio committee's reports with recommendations submitted to EXCO	New	4 portfolio committee reports by June 2015	0 portfolio committee reports	0 portfolio committee reports	0 portfolio committee reports	0 portfolio committee reports	Not Achieved			Reports	Operational	None
Number of portfolio committee meetings held	New	96 portfolio committee meetings held	46 meetings				Not Achieved	Non adherence to portfolio committee schedule	Engage political leadership to assist	Minutes and Attendance Register	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Number of policies developed and approved	New	6 policies developed and approved by June 2015 (1.Gender 2.Disability 3.Youth 4.HIV/AIDS 5.Bursary 6.Mayor's Cup)	0 policies developed	0 policies developed	0 policies developed	0 policies developed	Not Achieved	The development of policies cannot be done without the establishment of forums	The development of the forums to be prioritised in the 2015-2016 financial year	Council resolution	Operational	None
Number of implementation reports on policies submitted to Council	New	2 implementation reports submitted to Council by June 2015	Not Yet Due	Not Yet Due	0 implementation reports submitted	0 implementation reports submitted	Not Achieved	The development of policies cannot be done without the establishment of forums	The development of the forums to be prioritised in the 2015-2016 financial year	Council resolution	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Communication and IGR												
Number of local communication forum meetings held	4 Local communication forum meetings	4 meetings by June 2015	1 Meeting held	1 Meeting held	1 Meeting held	1 Meeting held	Achieved	None	None	Report and Attendance Register	Operational	None
Communication strategy reviewed	Communication Strategy	Communication strategy reviewed and implemented by June 2015	Approved Communication Strategy	Not Applicable	Not Applicable	Not Applicable	Achieved	None	None	Council Resolution	Operational	None
Number of reports on the implementation of the communication strategy	4 implementation reports	4 reports on the implementation of the communication strategy by June 2015	1 report on the communication strategy	1 report on the communication strategy	1 report on the communication strategy	1 report on the communication strategy	Achieved	None	None	Communication strategy reports	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Developed corporate calendar and approved by Council	New	Approved Corporate calendar by June 2015	Approved Corporate Calendar	Not Applicable	Not Applicable	Not Applicable	Achieved	None	None	Council Resolution	Operational	None
Number of MKLM local communication newsletters developed	4 MKLM local communication newsletters	4 MKLM local communication newsletters developed	1 MKLM local communication newsletter developed	0 MKLM local communication newsletter developed	0 MKLM local communication newsletter developed	0 MKLM local communication newsletter developed	Not Achieved	Editorial team not established	Establish an editorial team to oversee implementation of the newsletter	Newsletter	Operational	None
Reviewed IDP	Approved IDP	Reviewed 2014-2015 Integrated Development Plan and Council Approved by May 2015	Not Yet Due	Not Yet Due	Approved reviewed IDP - 31 March 2015	Not Applicable	Achieved	None	None	Council Resolution	Operational	None
Number of	4	4 IDP	0 IDP	0 IDP	0 IDP	3 IDP	Not	Non	To engage	Comm	Operat	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
IDP representative forum convened.	representative forums	representative forums convened by June 2015	representative forums convened	representative forums convened	representative forums convened	representative forums convened	Achieved	attendance of all stakeholders	the District Municipality and Provincial Government to intervene	unity consultation report and Attendance Register	ional	
Number of IDP public participation conducted	2 IDP public participation sessions	2 IDP public participation sessions held by June 2015	Not Yet Due	IDP public participation session conducted	Not Yet Due	IDP public participation session conducted	Achieved	None	None	Community consultation report and Attendance Register	Operational	None
Number of IDP steering committee meetings held	4 IDP Steering committee meetings held	4 IDP Steering committee meetings held by June 2015	1 Meeting held	0 Meeting held	1 Meeting held	4 meetings held	Achieved	None	None	Minutes and Attendance Register	Operational	None

Chapter 4

Technical Key Performance indicator	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Status (Achieved/Not achieved)	Challenges / Reason for underperformance	Measures taken to improve performance	Portfolio of Evidence documentation	Annual budget allocation	Annual Expenditure
Developed IDP process plan and Council approved	2013-2014 IDP Process Plan	Approved IDP process plan by June 2015	Not Yet Due	Approved IDP process plan	Not Applicable	Not Applicable	Achieved	None	None	Council resolution	Operational	None

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CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

INTRODUCTION

Turnover experienced in scarce skills areas such as town planning due to the municipality's inability to compete with alternative opportunities in terms of benefits. The matter will be addressed through the benchmarking exercise.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	2013/14	2014/15			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water	78	173	87	86	49.7%
Waste Water (Sanitation)	15	25	18	4	16%
Electricity	1	9	6	3	33.3%
Waste Management	2	3	20	3	13%
Housing	5	15	7	8	53.3%
Roads (Storm water Drainage)	29	64	35	29	45.3%
Transport	18	34	26	8	23.5%
Planning	1	7	3	4	57.1%
PMU	6	6	6	0	0%
Planning (Strategic & Regulatory)	2	5	2	3	60%
Local Economic Development	3	11	8	2	18.1%

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Community & Social Services	52	104	74	30	28.8%
Budget and Treasury	80	180	86	94	52.2%
Security and Safety	11	34	11	34	71%
Sport and Recreation	3	7	73	5	71.4%
Corporate Policy Offices and Other	97	141	85	56	39.7%
Totals	406	823	547	369	45%

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Vacancy Rate: 2014/15			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category) %
	No.	No.	
Municipal Manager	1	0	0%
CFO	1	0	0%
Other S57 Managers (excluding Finance Posts)	4	0	0%
Other S57 Managers (Finance posts)	0	0	0%
Police officers	0	-	-
Fire fighters	0	-	-
Highly skilled supervision: levels 19-25 (excluding Finance posts)	18	-	-
Highly skilled supervision: levels 19-25 (Finance posts)	3	-	-
Total	28	0	0%

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2011/12	7	20	35%
2012/13	24	16	150%
2013/14	21	17	124%
2014/15	62	16	

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

MSA 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998.

The municipality has an Employment Equity Plan which seeks to address the above.

The only underachievement relates to the employment of persons with disabilities. An inspection was conducted to check compliance with Employment Equity Act and Occupational Health and Safety requirements. A report has been developed and is awaiting implementation.

4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1.	Leave	-	80	Delays in consultations caused by postponements due to unavailability of attendees
2.	Occupational Health and Safety	100	80	Delays in consultations caused by postponements due to unavailability of attendees
3.	Recruitment, Selection and Appointments		80	Delays in consultations caused by postponements due to unavailability of attendees
4.	Policy on imprisoned employees		80	Delays in consultations caused by postponements due to unavailability of attendees

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5.	Travelling & Subsistence policy		80	Delays in consultations caused by postponements due to unavailability of attendees
6.	Bursary policy		80	Delays in consultations caused by postponements due to unavailability of attendees
7.	Policy on attendance		80	Delays in consultations caused by postponements due to unavailability of attendees
8.	Legal aid policy		80	Delays in consultations caused by postponements due to unavailability of attendees

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

The municipality has a key performance indicator to develop at least one policy in a quarter. Four policies were developed and are still to be approved in the 2015/16.

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Type of injury	Number and Cost of Injuries on Duty				
	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	6	1	0.05%	6	346
Temporary total disablement	0	0	0%	0	-
Permanent disablement	0	0	0%	0	-
Fatal	0	0	0%	0	-
Total	6	1	0.05%	6	346

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	n %	No.	No.	Days	R' 000
Lower skilled (Levels 1-11)	402	1	69	249	6	406
Skilled (Levels 12-14)	502	12	49	106	10	344
Highly skilled production (levels 14-16)	119	2	15	43	8	272
Highly skilled supervision (levels 17-18)	110	4	9	42	12	68
HOU (Levels 19-25)	6	0	1	5	6	20
Senior Management (Section 56)	104	0	9	22	11	
Municipal Manager	5	0	1	1	0.01	24
Total	1243	19	158	468	53	80

COMMENT ON INJURY AND SICK LEAVE:

The municipality did not experience any permanent disability or death as a result of injury on duty. The municipality does not have an appointed Medical doctor however when a need arises the approval of the municipal manager for any referrals is done.

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

7 suspensions and no cases of financial misconduct were handled by the municipality

4.4 PERFORMANCE REWARDS

COMMENT ON PERFORMANCE REWARDS:

No performance bonuses have been awarded by the municipality

Skills Matrix

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The municipality budgets 1% of its workforce as required and employees are taken through skills development programmes. The municipality budgets for Bursaries over and above this budget. Opportunities presented by SALGA are also utilized for workforce capacity development.

4.5 SKILLS DEVELOPMENT AND TRAINING

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>	1	0	1	0	0	0
<i>Chief financial officer</i>	1	0	1	0	0	0
<i>Senior managers</i>	1	0	1	0	1	0
<i>Any other financial officials</i>	35	0	35	0	0	12
Supply Chain Management Officials						0
<i>Heads of supply chain management units</i>	1	0	1	0	0	1
<i>Supply chain management senior managers</i>	1	0	1	1	1	1
TOTAL	40	0	40	1	2	14

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Management level	Gender	Employees in post as at 30 June 2014/15	Number of skilled employees required and actual as at 30 June 2014/15											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual : End of 2013/14	Actual : End of 2014/15	2014/15 Target	Actual : End of 2013/14	Actual : End of 2014/15	2014/15 Target	Actual : End of 2013/14	Actual : End of 2014/15	2014/15 Target	Actual : End of 2013/14	Actual : End of 2014/15	2014/15 Target
MM and s57	Female	1	0	0	1	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0	0	0	0	0
Councillors, senior officials and managers	Female	47	0	21	21	10	10	42	0	35	0	41	66	31
	Male	48	0	13	13	39	6	62	0	32	0	39	51	19
Technicians and associate professionals*	Female	3	0	2	2	10	0	2	0	0	0	10	2	2
	Male	36	0	0	0	30	11	24	0	0	0	30	11	11
Professionals	Female	18	0	3	3	0	0	0	0	0	0	0	3	3
	Male	10	0	1	1	0	0	0	0	0	0	0	1	1
Sub total	Female	69	0	26	27	51	10	44	0	35	0	51	71	36
	Male	94	0	14	14	69	17	86	0	32	0	69	63	31
Total		163	0	40	41	89	27	130	0	67	0	120	134	67

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COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

The municipality does plan for training in that it submits a WSP every year. The only challenge is that accommodation for training is also funded in the same budget. This affects the achievement of training planned for the year. Expenditure normally exceeds the budget. The Budget for 2013/14 was R1, 947.150 and the actual spent was R2, 417.669.40. The municipality has currently enrolled employees who do not have minimum competency levels with registered institutions. 14 employees have completed and are now competent. 26 are still studying.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

It is important to manage the workforce so that the municipality does not waste financial resources at the expense of service delivery. The procedure for filling of vacancies ensures that only budgeted positions are filled. This is done by filling a request which should be confirmed on the budget for the expected position by the budget and treasury department and approval by the municipal manager. The municipality is currently engaged in a job evaluation exercise which will also confirm the value of all positions.

4.6 EMPLOYEE EXPENDITURE

COMMENT ON WORKFORCE EXPENDITURE:

The municipality has no positions budgeted for resulting in savings. A high number of positions resulted from the review of the structure in 2010 and the Corporate Services department has been struggling to cope with the requests to fill them. The matter needs attention by the municipality to reduce vacancies.

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Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	0
	Male	0
Skilled (Levels 3-5)	Female	0
	Male	0
Highly skilled production (Levels 6-8)	Female	0
	Male	0
Highly skilled supervision (Levels 9-12)	Female	0
	Male	0
Senior management (Levels 13-16)	Female	0
	Male	0
MM and S 57	Female	0
	Male	0
Total		0

No appointments were made on posts not approved.

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

The municipality is currently engaged in job evaluation exercise and from this exercise variance will be able to be ascertained.

DISCLOSURES OF FINANCIAL INTERESTS

None has been reported in the financial year under review.

Chapter 5

CHAPTER 5 – FINANCIAL PERFORMANCE

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Description	Year 2014/2015										
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
R thousands	1	2	3	4	5	6	7	8	9	10	11
Financial Performance											
Property rates	45 723	20 051	65 774	–	–	65 774	65 624	–	150	0	0%
Service charges	133 657	(6 100)	127 557	–	–	127 557	127 753	–	(196)	0%	71%
Investment revenue	9 300	400	9 700	–	–	9 700	10 291	–	(591)	(0)	96%
Transfers recognised - operational	291 261	–	291 261	–	–	291 261	431 619	–	(140 358)	-48%	96%
Other own revenue	22 364	–	27 656	–	–	27 656	25 323	–	2 333	8%	92%
Total Revenue (excluding capital transfers and contributions)	502 305	14 351	521 948	–	–	521 948	660 610	–	(138 662)	-27%	90%
Employee costs	152 935	(8 916)	144 019	–	–	144 019	129 574	–	14 445	10%	90%
Remuneration of councillors	19 515	1 249	20 764	–	–	20 764	19 154	–	1 610	8%	98%
Debt impairment	51 518	2 782	54 300	–	–	54 300	59 111	–	(4 811)	-9%	91%
Depreciation & asset impairment	95 468	–	95 468	–	–	95 468	67 342	–	28 126	29%	100%
Finance charges	9 998	540	10 538	–	–	10 538	9 316	–	1 222	12%	84%
Materials and bulk purchases	76 648	8 303	84 951	–	–	84 951	100 958	–	(16 007)	-19%	114%
Transfers and grants	38 926	–	38 926	–	–	38 926	28 982	–	9 944	26%	–
Other expenditure	136 537	15 999	152 536	–	–	152 536	166 897	–	(14 361)	-9%	77%
Total Expenditure	581 545	19 957	601 502	–	–	601 502	581 334	–	20 168	3%	91%
Surplus/(Deficit)	(79 240)	1 000	(79 555)	–	–	(79 555)	79 276	–	(158 831)	200%	95%
Transfers recognised - capital	131 569	4 268	135 837	–	–	135 837	168 864	–	(33 027)	-24%	154%
Contributions recognised - capital & contributed assets	(131 569)	(4 268)	(135 837)	–	–	(135 837)	(168 864)	–	33 027	-24%	0%

Chapter 5

Surplus/(Deficit) after capital transfers & contributions	(79 240)	5 606	(79 555)	-	-	(79 554)	79 276	-	(158 830)	200%	- 137%
Share of surplus/ (deficit) of associate	(79 240)	5 606	(79 555)	-	-	(79 554)	79 276	-	(158 830)	200%	- 137%
Surplus/(Deficit) for the year	(79 240)	5 606	(79 555)	-	-	(79 554)	79 276	-	(158 830)	200%	- 137%
Capital expenditure & funds sources											
Capital expenditure											
Transfers recognised - capital	131 569	23 259	154 828			154 828	128 837		25 991	16,79%	19,75 %
Public contributions & donations			-			-					
Borrowing	9 000	(9 000)				-					
Internally generated funds	42 979	20 000	62 979			62 979	40 027		22 952	36,44%	0,00 %
Total sources of capital funds	183 548	34 259	217 807			217 807	168 864		48 943	22,47%	26,66 %
Cash flows											
Net cash from (used) operating	148 420	22 322	170 742			170 742	97 945		72 797	42,64%	49,05 %
Net cash from (used) investing	(146 253)	(14 259)	(160 512)			(160 512)	(167 209)		6 697	-4,17%	4,58 %
Net cash from (used) financing	(937)	(9 000)	(9 937)			(9 937)	(11 142)		1 205	- 12,13%	128,6 0%
Cash/cash equivalents at the year end	169 479	(937)	168 542			168 542	85 483		83 059	49,28%	49,01 %

Chapter 5

Financial Performance of Operational Services						
						R '000
Description	2013/14	2014/15			2014/15 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	148 084	170 777	173 754	187 220	8,78%	7,19%
Waste Water (Sanitation)	6 251	12 119	11 371	6 992	-73,33%	-62,63%
Electricity	-	-	-	-		
Waste Management	22 079	44 023	43 113	40 509	-8,67%	-6,43%
Housing	-	-	-	-		
Component A: sub-total	176 414	226 919	228 238	234 721	3,32%	2,76%
Waste Water (Stormwater Drainage)	-	-	-	-		
Roads	48 291	62 862	61 889	49 635	-26,65%	-24,69%
Transport	-	-	-	-		
Component B: sub-total	48 291	-	-	-		
Planning	8 384	13 187	12 626	8 972	-46,98%	-40,73%
Local Economic Development	3 213	7 628	7 360	5 786	-31,84%	-27,20%
Component B: sub-total	11 597	20 815	19 986	14 758	-41,04%	-35,42%
Planning (Strategic & Regulatory)	-	-	-	-		
Local Economic Development	-	-	-	-		
Component C: sub-total	-	-	-	-		
Community & Social Services	3 202	5 404	5 534	6 197	12,80%	10,70%
Environmental Protection	-	-	-	-		
Health	-	-	-	-		
Security and Safety	15 288	20 059	18 768	17 147	-16,98%	-9,45%
Sport and Recreation	12 419	17 032	16 325	12 399	-37,37%	-31,66%
Corporate Policy Offices and Other	192 524	291 316	312 651	296 112	1,62%	-5,59%
Component D: sub-total	223 433	333 811	353 278	331 855	-0,59%	-6,46%
Total Expenditure	459 735	581 545	601 502	581 334	-0,04%	-3,47%

Chapter 5

5.2 GRANTS

Grant Performance						
R' 000						
Description	2013/2014	2014/2015		Year 2014/2015 Variance		
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	254 467	290 861	290 861	290 778		
Equitable share	248 277	275 714	275 714	275 714	0,00%	
Municipal Systems Improvement	890	934	934	934	0,00%	
Department of Water Affairs	5 300	7 500	7 500	7 500	0,00%	
Levy replacement	-			-		
Other transfers/grants []		6 713	6 713	6 630	98,76%	
Provincial Government:	11 522	400	400	8 100		
Health subsidy	-			-		
Housing	-			-		
Ambulance subsidy	-			-		
Sports and Recreation	142	400	400	400	0,00%	
Other transfers/grants []	11 380			7 700	7700,00%	
District Municipality:	-	-	-	-		
[insert description]						
Other grant providers:	-	-	-	-		
[insert description]						
Total Operating Transfers and Grants	265 988	291 261	291 261	298 878		
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						
Full list of provincial and national grants available from published gazettes.						
T 5.2.1						

Chapter 5

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

Assets management unit is composed of two official's reporting to the HOU: Budget and Expenditure, movable and immovable using V-smart and Ducharme, the policies are being updated annually, the organisational structure is inadequate in addressing the asset management needs of the whole municipality with more than ±30 000 assets with only two officials covering the vast area. The municipality suffers poor fixed assets register updates, the updates are done in compliance with GRAP. The delegations have been approved but are not yet cascaded down.

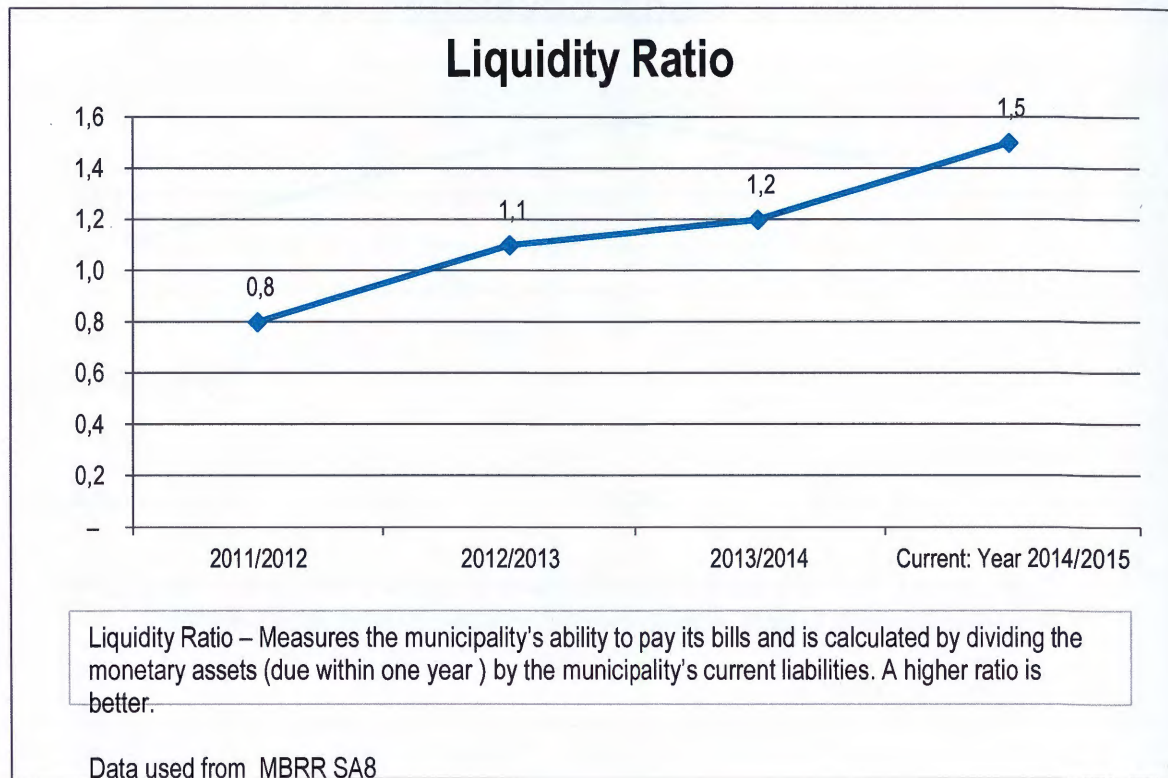
Chapter 5

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 0				
Asset 1				
Name	Groundwater Optimisation			
Description	Boreholes and Pipelines			
Asset Type	Water			
Key Staff Involved	Project Manager - Azola Mthembu			
Staff Responsibilities	Monitoring during implementation			
Asset Value	2011/12	2012/13	2013/14	2014/15
			2 035	21 215
Capital Implications	MIG funding			
Future Purpose of Asset	supply of water			
Describe Key Issues	Boreholes and Pipelines			
Policies in Place to Manage Asset	Maintenance plan			
Asset 2				
Name	Rural Sanitation			
Description	VIP Toilets			
Asset Type	Sanitation			
Key Staff Involved	Project Manager - Papi Botodi			
Staff Responsibilities				
Asset Value	2011/12	2012/13	2013/14	2014/15
			17 658	10 734
Capital Implications	MIG funding			
Future Purpose of Asset	improve sanitation			
Describe Key Issues	VIP Toilets			
Policies in Place to Manage Asset				
Asset 3				
Name	Siga/Masekoloane Internal Road			
Description	Siga/Masekoloane Internal Road			
Asset Type	Road			
Key Staff Involved	Project Manager - Mr Jabu Sifunda			
Staff Responsibilities				
Asset Value	2011/12	2012/13	2013/14	2014/15
			8 994	8 894
Capital Implications	MIG funding			
Future Purpose of Asset	improve accesebility			
Describe Key Issues	internal road			
Policies in Place to Manage Asset	Maintenance plan			

Repair and Maintenance Expenditure: 2014/2015				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	33 148	38 106	45 433	-37%

Chapter 5

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS



Chapter 5

Cost Coverage



Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

Total Outstanding Service Debtors



Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Chapter 5

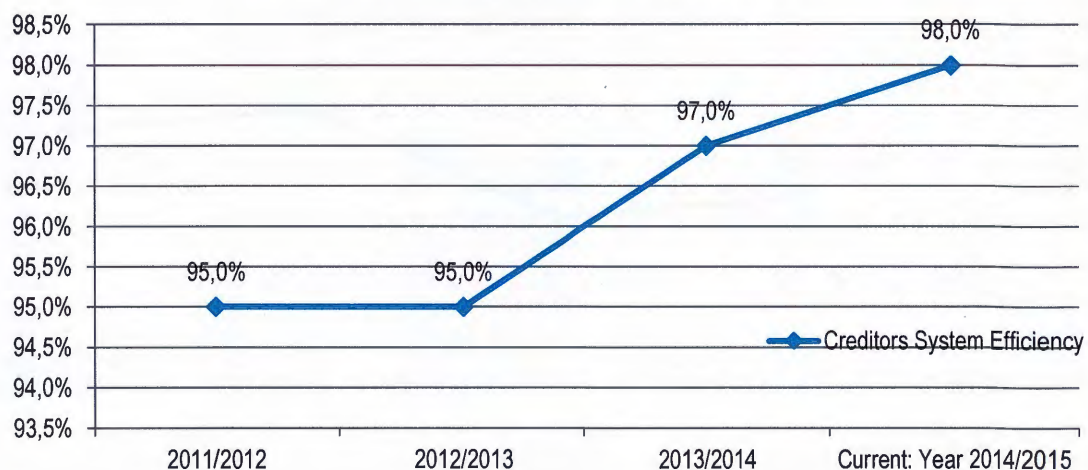
Debt Coverage



Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

Data used from MBRR SA8

Creditors System Efficiency

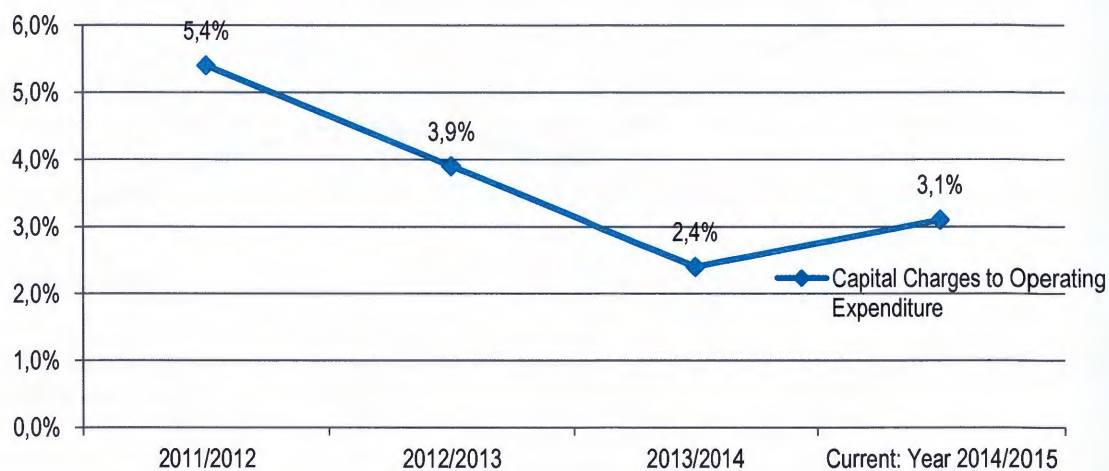


Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8

Chapter 5

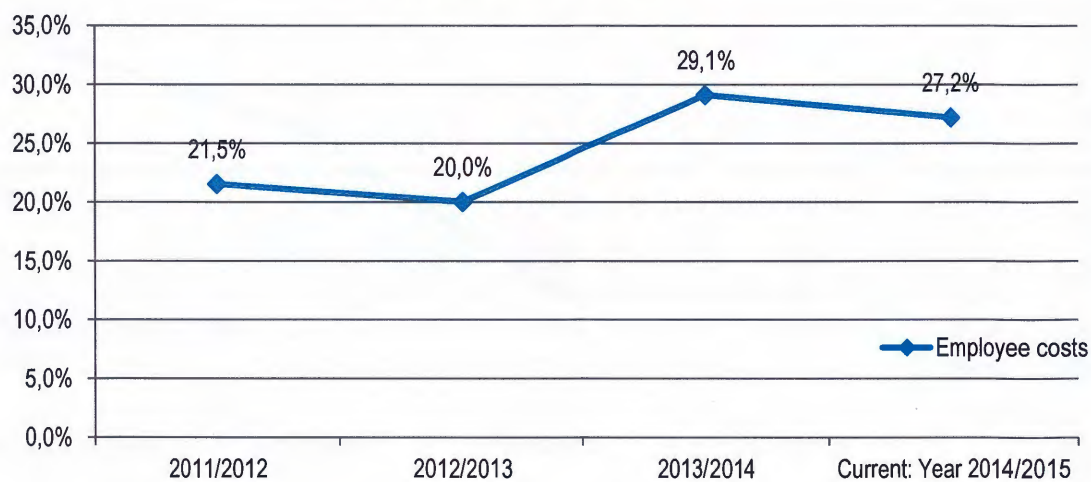
Capital Charges to Operating Expenditure



Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

Employee Costs

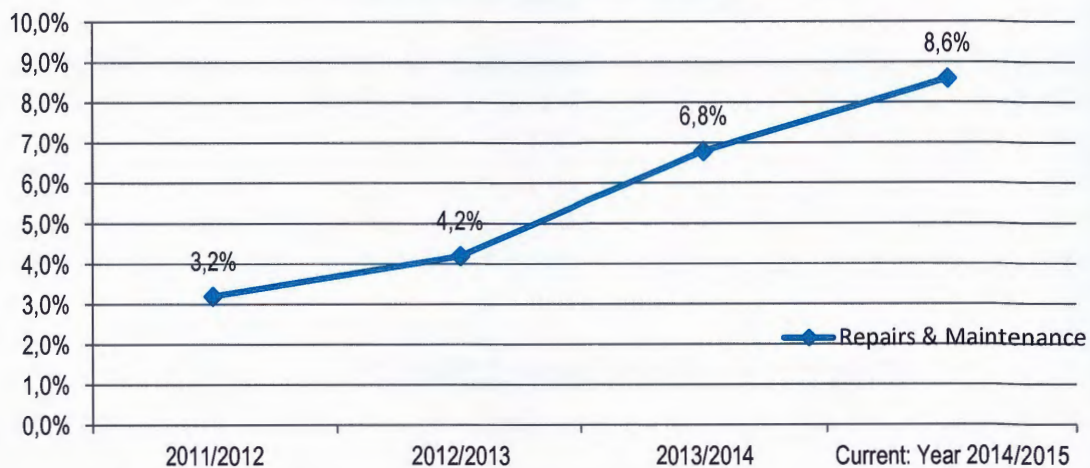


Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

Chapter 5

Repairs & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

Data used from MBRR SA8

COMMENT ON FINANCIAL RATIOS:

Liquidity ratio shows an improvement as compared to the previous financial year. This is mainly due to the increase in fixed assets. The municipality aimed at an improved ratio in the medium term.

Cost coverage ratio the current cash position of the Municipality can cover all monthly expenses.

The Municipal outstanding debts has improved from 2013/2014 by only a small margin which is not acceptable in terms of the Municipality's target, the municipality intends to implement the revenue enhancement strategy by 2016.

Debt has significantly gone down from 2013/14 to 2014/2015. The ratio is still below the minimum acceptable level. The Municipality is of the opinion that with the current revenue enhancement strategies, the debt-to-equity ratio will improve significantly.

The municipality managed to pay 98% of its creditors within 30 days

Capital charges to operating expenditure has gone down

Employee costs have gone up but are within the minimum acceptable limits

The municipality has not complied with the minimum target of 8% of the total capital budget for repairs and maintenance

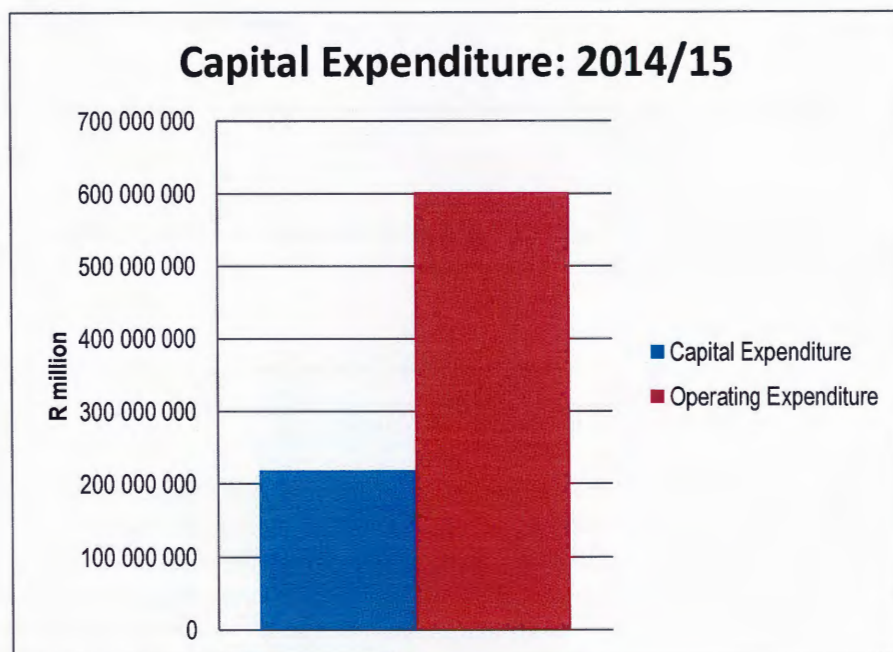
Chapter 5

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

The municipality is currently financing its capital projects through loans, grants and leases. The projects emanate from a 5 year IDP which runs on a 3 year MTREF. There are no capital programmes done outside these and are done without confirmed funding

5.5 CAPITAL EXPENDITURE



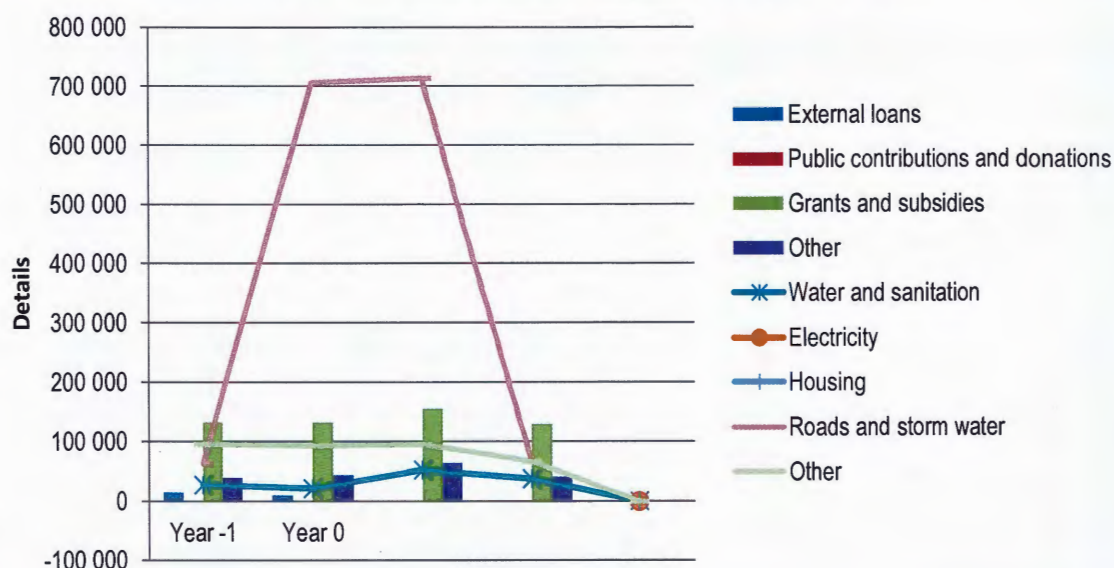
Chapter 5

5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources: 2013/14 to 2014/15						
R' 000						
Details	2013/14	2014/15				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance						
External loans	14 045	9 000			-100,00%	-100,00%
Public contributions and donations						
Grants and subsidies	132 022	131 569	154 828	128 837	17,68%	-2,08%
Other	38 573	43 000	63 000	40 027	46,51%	-6,91%
Total	184640	183569	217828	168864	-35,81%	-108,99%
Percentage of finance						
External loans	7,6%	4,9%	0,0%	0,0%	279,3%	91,8%
Public contributions and donations	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Grants and subsidies	71,5%	71,7%	71,1%	76,3%	-49,4%	1,9%
Other	20,9%	23,4%	28,9%	23,7%	-129,9%	6,3%
Capital expenditure						
Water and sanitation	27 074	21 000	52 000	37 000	147,62%	76,19%
Electricity						
Housing						
Roads and storm water	62 321	705 880	712 920	66 000	1,00%	-90,65%
Other	95 245	92 000	95 000	65 864	3,26%	-28,41%
Total	184640	818880	859920	168864	151,88%	-42,87%
Percentage of expenditure						
Water and sanitation	14,7%	2,6%	6,0%	21,9%	97,2%	-177,7%
Electricity	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Housing	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Roads and storm water	33,8%	86,2%	82,9%	39,1%	0,7%	211,5%
Other	51,6%	11,2%	11,0%	39,0%	2,1%	66,3%
T 5.6.1						

Chapter 5

Source of Finance and Capital Expenditure



5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
Name of Project	Current: Year 2014/2015			Variance: Current Year 2014/2015	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A - Groundwater optimization	7 622	24 700	21 215	-178%	-224%
B - Rural Sanitation	4 297	11 089	10 734	-150%	-158%
C - Internal Roads Siga/Masekoloane	8 758	7 352	8 894	-2%	16%
D - Internal Road Ntsweng	7 000	7 937	8 019	-15%	-13%
E - Internal Road Mabodisa	7 443	8 196	8 194	-10%	-10%

* Projects with the highest capital expenditure in Year 0

Name of Project - A	Groundwater optimization
Objective of Project	Supply of water
Delays	None
Future Challenges	None
Anticipated citizen benefits	Access to basic water supply
Name of Project - B	Rural Sanitation
Objective of Project	VIP Toilets
Delays	None
Future Challenges	None
Anticipated citizen benefits	Improve basic sanitation
Name of Project - C	Internal Roads Siga/Masekoloane
Objective of Project	Improve accessibility
Delays	None

Chapter 5

Future Challenges	None
Anticipated citizen benefits	Improve accessibility
Name of Project - D	D - Internal Road Ntsweng
Objective of Project	Improve accessibility
Delays	None
Future Challenges	None
Anticipated citizen benefits	Improve accessibility
Name of Project - E	Internal Road Mabodisa
Objective of Project	Improve accessibility
Delays	None
Future Challenges	None
Anticipated citizen benefits	Improve accessibility

T 5.7.1

Chapter 5

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The Municipality experiences service backlogs in water, electrification of households by Eskom, internal and external roads by provincial departments.

Municipal Infrastructure Grant (MIG)* Expenditure 2014/15 on Service backlogs						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust- ments Budget	
Infrastructure - Road transport				%	%	
Roads, Pavements & Bridges	68 179	67 261	59 569	87,37%	88,56%	
Storm water	2 409	6 261	6 477	268,87%	103,45%	
Infrastructure - Electricity				%	%	
Generation				%	%	
Transmission & Reticulation				%	%	
Street Lighting	18 291	20 066	6 137	33,55%	30,58%	
Infrastructure - Water				%	%	
Dams & Reservoirs				%	%	
Water purification				%	%	
Reticulation	15 822	39 854	26 548	167,79%	66,61%	
Infrastructure - Sanitation				%	%	
Reticulation	5 263	12 054	10 734	203,95%	89,05%	
Sewerage purification				%	%	
Infrastructure - Other				%	%	
Waste Management	7 192	10 581	2 616	36,37%	24,72%	
Transportation				%	%	
Gas				%	%	
Other Specify:				%	%	
Municipal Buildings	24 325	18 973	25 101	103,19%	132,30%	
Office equipment and vehicles	42 067	42 757	31 682	75,31%	74,10%	
				%	%	
Total	183 548	217 807	168 864	92,00%	77,53%	

Chapter 5

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.9 CASH FLOW

Cash Flow Outcomes				
R'000				
Description	2013/14	2014/15		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	134 262	112 984	163 967	178 084
Government - operating	210 103	291 060	314 319	283 809
Government - capital	144 276	131 569	131 969	128 837
Interest	28 980	9 300	9 300	33 162
Dividends	-			
Payments				
Suppliers and employees	(375 219)	(386 495)	(438 815)	(516 631)
Finance charges	(8 586)	(9 998)	(9 998)	(9 316)
Transfers and Grants				
NET CASH FROM/(USED) OPERATING ACTIVITIES	133 816	148 420	170 742	97 945
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE				128
Decrease (Increase) in non-current debtors		37 295	57 295	
Decrease (increase) other non-current receivables				
Prior Year Adjustments	25 344			1 528
Payments				
Capital assets	(181 169)	(183 548)	(217 807)	(168 864)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(155 825)	(146 253)	(160 512)	(167 209)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing		9 000	-	
Finance Lease Payments	11 523			(3 834)
Payments				
Repayment of borrowing	(2 664)	(9 937)	(9 937)	(7 307)
NET CASH FROM/(USED) FINANCING ACTIVITIES	8 859	(937)	(9 937)	(11 142)
NET INCREASE/ (DECREASE) IN CASH HELD	(13 150)	1 230	293	(80 406)
Cash/cash equivalents at the year begin:	179 039	168 249	168 249	165 889
Cash/cash equivalents at the year end:	165 889	169 479	168 542	85 483

COMMENT ON CASH FLOW OUTCOMES:

The Municipality net cash has decreased from 2013/14 financial year by 94%. This is due to the fact that there was improvement on MIG spending as well as other capital expenditure which contributes to the largest part of the decrease.

Chapter 5

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

The municipality is currently financing its capital projects through loans, grants, own revenue and leases

Actual Borrowings: 2011/12 to 2013/14			
	R' 000		
Instrument	2011/12	2012/13	2013/14
Municipality			
Absa Annuity Loan	17 079	14 603	16 733
INCA Annuity Loan	32 414	30 149	27 596
DBSA Annuity Loan	39 764	37 725	35 483
Absa Annuity Loan - at Armotised Cost	6 783	7 504	7 251
Finance Lease Obligation (minimum lease payments)	-	-	14 404
Unspent Conditional Grants	93 492	78 569	23 576
Payables from Exchange Transactions	32 763	57 237	67 996
Municipality Total	222 295	225 786	193 040

Municipal and Entity Investments			
	R' 000		
Investment* type	2011/12	2012/13	2013/14
	Actual	Actual	Actual
Municipality			
Absa Rustenburg	1 065	1 961	11 775
Capital Replacement Reserve	-	-	18 106
Housing Account	553	441	782
Traffic Account	244	174	208
Petty Cash	2	2	20
Absa Bank	25 618	41 569	75 720
Housing Call Account	8	9	9
Absa BANK	92 628	116 397	48 976
MIG Call Account	12 459	13 070	4 452
Call Civic Centre	1 566	180	187
Municipality total	134 144	173 803	160 235

COMMENT ON BORROWING AND INVESTMENTS:

The municipality's investments were done in accordance to Cash and Management Policy of the Municipality however the investment portfolio has not been diversified, the Municipality believes that ABSA is a safe and secure institution for municipal investment.

Chapter 5

COMPONENT D: OTHER FINANCIAL MATTERS

5.11 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

All bid committees were functional during the financial year under review, for the first time all tender documents were submitted for audit purposes. The municipality has also trained SMMEs on issues relating to SCM regulations and processes. There were no councilors that are part of any SCM committees in the year under review. The SCM officials are all competent in terms of the regulations.

5.12 GRAP COMPLIANCE

GRAP COMPLIANCE

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The financial statements were prepared in terms of GRAP standards and practices. In addition the asset register is GRAP compliant

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

Note: The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement... must be audited annually by the Auditor-General.

COMMENT ON AUDITOR-GENERAL'S OPINION 2014/15:

The municipality received a qualified opinion based on the following:

Property Plant and Equipment

The Municipality did not review the useful lives and residual values or assess the impairment of property plant and equipment.

The process has already started to rectify the above and will be finalized by the end of March 2016

Consumer Debtors

Chapter 6

The municipality did not provide correctly for debt impairment.

An appointment will be made with the Auditor-General during February 2016 on how to correct the matter.

Commitments

The municipality did not provide the Auditor-General with an updated and correct commitment register.

The register has been updated and is under review by BTO and Infrastructure where after it will be discussed with the Auditor-General.

Irregular Expenditure

The municipality did not disclose irregular expenditure to the amount of R39 016 936 in the financial statements

Will be rectified and a report regarding the irregular expenditure will be submitted to council.

Provisions

The municipality did not include all landfill sites in the provision for the rehabilitation of the Landfill sites.

The matter will be rectified as it was an oversight from the municipality not to include the Madikwe landfill site in the provision for the rehabilitation of the landfill sites

Issues raised under emphasis of matter and predetermined objectives will be addressed during the strategic planning session in February 2016.

The municipality needs to address these issues since our objective is clean audit for the 2015/2016 financial year.

The Auditor-General will be invited to assist the municipality in achieving our objective.



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Report of the auditor-general to the North West provincial legislature and the council on the Moses Kotane Local Municipality

Report on the financial statements

Introduction

1. I have audited the financial statements of the Moses Kotane Local Municipality set out on pages 381 to 439, which comprise the statement of financial position as at 30 June 2015, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget with actual information for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2014 (Act No. 10 of 2014) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for qualified opinion

Property, plant and equipment

Chapter 6

6. The municipality did not review the useful lives and residual values or assess the impairment of property, plant and equipment as required by GRAP 17 *property, plant and equipment*. Due to the status of the accounting records, it was impracticable to quantify the total adjustments required to property, plant and equipment of R1 037 394 788 (2014: R941 614 840) as disclosed in note 3 to the financial statements or the depreciation and amortisation expense of R67 341 989 (2014: R64 814 883) included in the statement of financial performance.

Consumer debtors

7. The municipality did not correctly provide for the debt impairment as required by GRAP 104 *financial instruments*. I was unable to quantify the full extent of the resulting misstatement to the financial statements as it was impracticable to do so. Consequently, I was unable to determine whether any adjustments to consumer debtors of R228 139 329 (2014: R219 356 842) as disclosed in note 9 to the financial statements or the debt impairment of R59 110 887 (2014: R65 865 525) as disclosed in the statement of financial performance were necessary.

Commitments

8. I was unable to obtain sufficient appropriate audit evidence for approved and contracted commitments due to an inadequate contract management system. The municipality's system did not allow the performance of alternative procedures. Consequently I was unable to determine whether any adjustment to approved and contracted commitments of R38 248 715 (2014: R84 404 180) as disclosed in note 33 the financial statements, was necessary.

Irregular expenditure

9. Section 125 of the MFMA requires the disclosure of irregular expenditure incurred. The municipality made payments of R39 016 936 in contravention with the supply chain management requirements which were not included in irregular expenditure. As the municipality did not quantify the full extent of the irregular expenditure, it was impracticable to determine the resultant understatement of irregular expenditure of R296 872 958 as disclosed in note 41 to the financial statements.

Provisions

10. The municipality did not include all landfill sites in their provision for environmental rehabilitation in accordance GRAP 19 *provisions, contingent liabilities and contingent assets*. I was unable to determine the full extent of the misstatement of the provision for the environmental rehabilitation of landfill sites of R15 963 099 (2014: R15 874 545) as disclosed in the statement of financial position and note 14 to the financial statements as it was impracticable to do so.

Qualified opinion

11. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the Moses Kotane Local Municipality as at 30 June 2015 and its financial performance and cash flows for the year then ended, in accordance with SA standards of GRAP and the requirements of the MFMA and the DoRA.

Emphasis of matters

12. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unauthorised and fruitless and wasteful expenditure

13. As disclosed in note 39 to the financial statements, unauthorised expenditure of R6 291 848 was incurred in the current year.

Chapter 6

14. As disclosed in note 40 to the financial statements, fruitless and wasteful expenditure of R408 848 was incurred in the current year and fruitless and wasteful expenditure from prior years of R9 703 835 had not yet been dealt with in accordance with section 32 of the MFMA.

Restatement of corresponding figures

15. As disclosed in note 35 to the financial statements, the corresponding figures for 30 June 2014 have been restated as a result of an error discovered during 2015 in the financial statements of the Moses Kotane Local Municipality at, and for the year ended, 30 June 2014.

Additional matters

16. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited disclosure notes

17. In terms of section 125(2)(e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.

Unaudited supplementary schedules

18. The supplementary information set out on pages 440 to 454 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

Report on other legal and regulatory requirements

19. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

20. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected development priority presented in the annual performance report of the municipality for the year ended 30 June 2015:
- Development priority: Infrastructure and technical services on pages 219 to 254
21. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
22. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned development priorities. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPi).
23. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
24. The material findings in respect of the selected development priority are as follows:

Development priority: Infrastructure and technical service

Chapter 6

Usefulness of reported performance information

25. Section 41(c) of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) requires the integrated development plan (IDP) to form the basis for the annual performance report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 69%, 86% and 90% of the reported objectives, indicators and targets in the annual performance report were not consistent with those in the approved IDP. This was due to a lack of information systems recording and documenting actual achievements against targets.
26. The FMPPi requires that indicators be well defined and verifiable and targets be specific, measureable and time bound:
- A total of 80% of the targets were not specific.
 - The required performance for 83% of the targets could not be measured.
 - A total of 83% of the targets were not time bound.
 - A total of 81% of the indicators were not well defined.
 - A total of 81% of the indicators were not verifiable.

This was because management was not trained in the FMPPi requirements and proper technical data descriptions for indicators were not specified. Furthermore a proper system to collect core data on a consistent basis and a process to analyse this information was not in place.

Reliability of reported performance information

27. The FMPPi requires department to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the reported performance information. This was due to a lack of standard operating procedures for the accurate recording of actual achievements, a lack of technical indicator descriptions for the accurate measurement, recording and monitoring of performance and the fact that the municipality could not provide sufficient appropriate evidence in support of the reported performance information.

Additional matter

28. I draw attention to the following matter:

Achievement of planned targets

29. Refer to the annual performance report on pages 219 to 254 for information on the achievement of the planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information for the selected development priorities reported in paragraphs 25 to 27 of this report.

Unaudited supplementary information

30. The supplementary information set out on pages 317 to 328 does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and, accordingly, I do not report thereon.

Compliance with legislation

31. I performed procedures to obtain evidence that the municipality had complied with applicable legislation regarding financial matters, financial management and other related matters. My findings on material compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

Annual financial statements and annual report

Chapter 6

32. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of non-current assets and current assets, liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.
33. The 2013-14 annual report was not tabled in the municipal council within seven months after the end of the financial year, as required by section 127(2) of the MFMA.

Strategic planning and performance management

34. The service delivery and budget implementation plan (SDBIP) for implementing the municipality's delivery of municipal services and annual budget did not indicate projections for each month of the revenue to be collected, by source and the operational and capital expenditure, by vote and service delivery targets and performance indicators for each quarter as required by section 1 of the MFMA.
35. The annual performance report for the year under review did not include reliable measures taken to improve performance, as required by section 46(1)(c) of the MSA.
36. The performance management system and related controls were inadequate as it did not describe and represent the processes of performance planning, monitoring, measurement, review, reporting and improvement and how it is conducted, organised and managed, including determining the roles of the different role-players, as required by section 38 of the MSA and regulation 7 of the MPPMR.

Audit committee

37. The audit committee did not advise the council and accounting officer on matters relating to the adequacy, reliability and accuracy of financial reporting and information, as required by section 166(2)(a)(iv) of the MFMA.
38. The audit committee did not review the annual financial statements to provide the council with an authoritative and credible view of the financial position of the entity, its efficiency and effectiveness and its overall level of compliance with legislation, as required by section 166(2)(b) of the MFMA.
39. The audit committee did not respond to the council on the issues raised in the audit reports of the Auditor-General, as required by section 166(2)(c) of the MFMA.
40. The audit committee did not review the municipality's performance management system and make recommendations to the council, as required by regulation 14(4)(a)(ii) of the MPPMR.
41. The audit committee did not submit, at least twice during the financial year, an audit report on the review of the performance management system to the council, as required by regulation 14(4)(a)(iii) of the MPPMR.

Consequence management

42. Unauthorised, irregular, fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a)(ii) of the MFMA.

Conditional grants

43. The municipality did not evaluate its performance in respect of programmes or functions funded by the Municipal Systems Improvement Grant and the Local Government Financial Management Grant allocations, as required by section 12(5) of the DoRA.

Expenditure management

44. Reasonable steps were not taken to prevent unauthorised, irregular and fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA.

Human resources

Chapter 6

45. The competencies of the senior managers were not assessed in a timely manner in order to identify and address gaps in competency levels as required by regulation 13 of the Municipal Regulations on Minimum Competency Levels.
46. The municipality did not submit a report on compliance with prescribed competency levels to the National Treasury and relevant provincial treasury as required by regulation 14(2)(a) of the Municipal Regulations on Minimum Competency Levels.

Procurement and contract management

47. Sufficient appropriate audit evidence could not be obtained that bid specifications for procurement of goods and services through competitive bids were drafted in an unbiased manner that allowed all potential suppliers to offer their goods or services, as per required by SCM regulation 27(2)(a).
48. Sufficient appropriate audit evidence could not be obtained that bid specifications were drafted by bid specification committees which were composed of one or more officials of the municipality as required by SCM regulation 27(3).
49. Contracts were awarded to bidders that did not score the highest points in the evaluation process, as required by section 2(1)(f) of Preferential Procurement Policy Framework Act.
50. Awards were made to providers who are in the service of other state institutions or whose directors or principal shareholders are in the service of other state institutions, in contravention of section 112(j) of the MFMA and SCM regulation 44.

Environmental management

51. The municipality did not exercise its legislative and executive authority as required by the section 11(3)(l) and (m) of the MSA by managing, monitoring and enforcing environmental related bylaws to promote a safe and healthy environment.
52. The municipality operated its waste disposal sites and wastewater treatment facilities without a license in contravention of section 20(b) of the National Environmental Management Waste Act, 2008 (Act No. 59 of 2008) (NEMWA), section 24(2)(a) of the National Environmental Management Act, 1998 (Act No. 107 of 1998) (NEMA) and section 22(1)(b) of the National Water Act, 1998 (Act No. 36 of 1998) (NWA).
53. The municipality's operational activities at its waste disposal sites and wastewater treatment facilities contravened or failed to comply with the regulatory norms and standards as required by sections 67(1)(f) and (h) of the NEMWA and section 151(1)(c) and (i) of the NWA.
54. The municipality's waste management and disposal activities contravened or failed to comply with the requirements of section 28(1) of the NEMA, section 19 of the NWA and sections 16(1)(c) and (d) and 26(1)(b) of the NEMWA.

Internal control

55. I considered internal control relevant to my audit of the financial statements, the annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

Leadership

56. Leadership did not adequately exercise their oversight responsibility regarding financial and performance reporting, compliance with legislation as well as related internal controls.

Financial and performance management

57. Controls to ensure that information in the financial statements and the report on predetermined objectives were reliable before submission for audit were ineffective.

Chapter 6

Governance

58. The effectiveness of the audit committee was compromised due to the recommendations made by internal audit not being fully implemented.

Auditor-General

Rustenburg

30 November 2015



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Chapter 6

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 reports as per the Municipal Finance Management Act have been submitted to both National and Provincial Treasury within 10 working days of the end of each month.

Signed (Chief Financial Officer)..... Dated 30/08/15 T 6.2.5

Moses Kotane Local Municipality

(Demarcation code NW375)

Financial Statements for the year ended 30 June 2015

General Information

Speaker

Diale Ralesole Abram

Mayor

Mokati-Thebe Fetsang

Whip

Matshaba M Z

Executive Committee

Mokati-Thebe Fetsang (Mayor/Chair Person)
Tshethane D (MMC Special project)
Nkotswe N (MMC Communication,Corporate,Human settlement)
Lesele K (MMC without Portfolio)
Manganye T R (MMC IDP,IGR,PMS)
Mashimo R E(MMC Infrastructure services)
Motshabi C N (MMC LED and rural development)
Kapari LL (MMC Community services)
Setou A (MMC without Portfolio)
Tlabyane D R (MMC Finance)
Vava S (MPAC Chair)

MPAC Chair

Councillors

Ndlovu H
Moyo F
Mkhandawire P
Nhlapo L
Tau D
Moloi N
Ntshabele S
Leoto D
Motshegoa P
Zitha L
Matshereng N
Ramokoka A
Motlhaga R
Masilo J
Letlape A T
Pheto R
Manganye B
Radiokana M
Khunou M K
Magodielo A
Pele J
Sekao H
Makgothi T
Lukhele RM
Moeng T
Monnakgotla C T
Monyatsi M

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

General Information

	Mokgathe M M
	Moraope S
	Lephoto E
	Morua E
	Maretele J
	Motsoenyane Z
	Nondzaba M
	Mashishi S N
	Bili L H
	Matlapeng S S
	Ramapotoka G
	Rasepae III M
	Mngomezulu P
	Sekhu S K
	Moate L
	Selotlego D J
	Moatshe G D
	Lesomo LP
	Monaisha JB
	Kodongo HK
	Deleki N
	Tshite L M J
Chief Finance Officer (CFO)	Ms LO Ndlovu
Acting Accounting Officer	Mr PP Shikwane
Registered office	Civic Centre Mogwase 0314
Postal address	Private Bag X 1011 Mogwase 0314
Bankers	ABSA
Auditors	The Auditor General of South Africa
Published	31 August 2015
Grading of local Authority	4
Contact information	Telephone: (014) 555 1300 Fax : (014) 555 6368 Email : municipalmanager@moseskotane.gov.za

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the financial statements and was given unrestricted access to all financial records and related data.

The financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2016 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The municipality is dependent on the grants and services that it renders for the community for a continued funding of operations. The financial statements are prepared on the basis that the municipality is a going concern and that the Municipality does not intend to liquidate or curtail materially the scale of the municipality.

The financial statements set out on page 381- 439, which have been prepared on the going concern basis, were approved by the on 31 August 2015.



Mr PP Shikwane
Acting Municipal Manager

Moses Kotane Local Municipality

(Demarcation code NW375)

Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

1. INTRODUCTION

It is with great pleasure to present the annual financial statements of Moses Kotane Local Municipality for the year ending 30 June 2015. These annual financial statements were prepared in full compliance with the provision of the generally recognized accounting principles which ensures comparability against prior years

2. Performance highlights

- The municipality managed to pay 99% of its creditors within 30 days upon receiving the invoice with exception of NWDC which is under litigation.
- The Municipality generated and maintained a healthy surplus of R79.276 Million.
- All the financial related commitment were honoured.
- The municipality has improved the record keeping system resulting in the continuous improvement in audit opinion each year.
- Prior audit exception in relation to finance was reduced by 73%.
- Section 71 and 72 reports were completed and submitted timeously in all reporting periods.
- The Adjustment Budget was completed and approved on time while all targets were met with the tabling and approval of the 2014-2015 Budget and MTREF. At this point in time all budget related reports and returns has been submitted to National Treasury while the Annual Financial Statements were completed and submitted to the Auditor-General on 29 August 2015.
- The Integrated Development Plan was totally revised and aligned with the Budget for 2014-2015 and the MTREF for 2014-2015/2015-2016.
- The municipality for the first time improved its MIG spending considerably

Moses Kotane Local Municipality

(Demarcation code NW375)

Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

3. Our commitment

Improve Financial Viability

Moses Kotane Local Municipality remains committed to prudent financial management by strengthening the balance sheet, tightening the credit control and debt management policies and continued improved revenue collection or enhancement strategies. This is evident to the fact that the municipality has accepted assistance by DBSA and Anglo American to cleanse the billing data, metering, assist with water conservation and demand management to reduce the water losses, and aligning billing information with the updated surveyor general information to increase the revenue base.

Clean Audit Opinion

Despite the municipality having received an unqualified audit opinion in 2013/14, the municipality is committed to achieve a clean audit opinion by addressing the following issues:

- Compliance to SCM to reduce the unauthorized, irregular, fruitless and wasteful expenditure
- Capacitate the asset management unit to ensure a continuous update on the fixed asset register and testing the impairment on time.
- Capacitate the SCM unit with regard to contract management.
- Implement the system that will recognize all the creditors to avoid prior year payments/corrections each year.
- Improve internal relationships with water department to improve the metering internal controls and other trading related services department (i.e. town planning and housing), to ensure completeness in the billing database.

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

4. REVIEW OF OPERATING RESULTS

4.1 Operating Results 2014/2015

The municipality has generated a healthy surplus of R79 276 million which has declined by 44.30 % as compared to the previous financial year R142 330 million. The decrease was mainly due to the fact that the main streams of water supply continued to be dried even in the year 2014/2015 e.g. such as boreholes dried up during spring period which forced the municipality to circumvent the situation by employing the water tanker services to the affected residents. The Municipality also procured a fleet of R± R35 million which includes five water tankers, electrification of unit 5 as well as completing other programs not covered by MIG

Moses Kotane Local Municipality

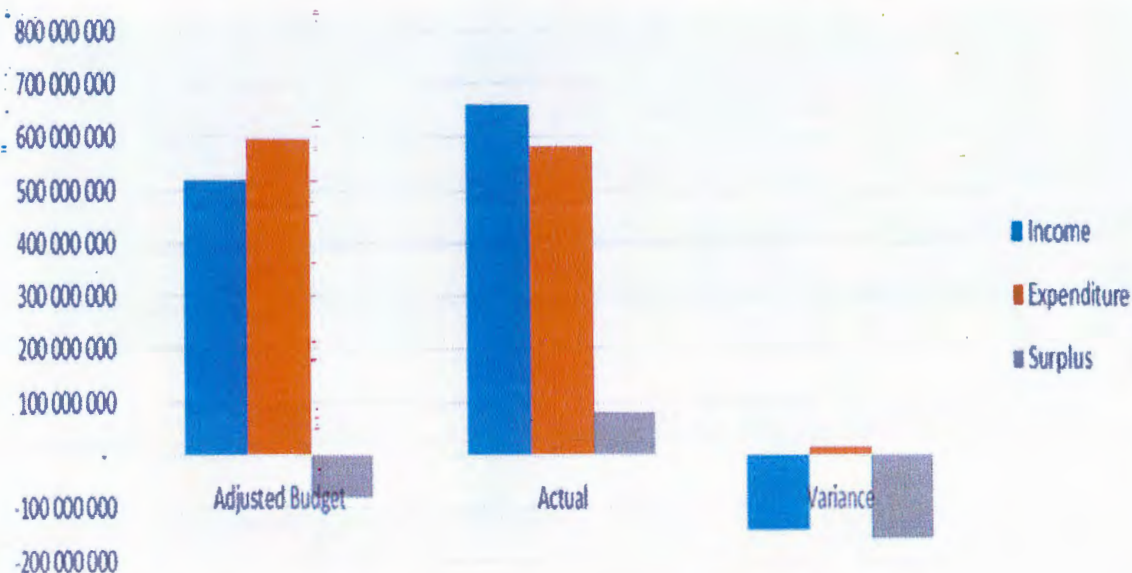
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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

Consolidated Operating Results 2014/2015						
Details	2015				2014	
	Adjusted Budget	Actual	Variance	% Change	Adjusted Budget	Actual
Income	-517 867 431	-660 610 138	-142 742 707	-27.56	402,626,000	602 065 479
Expenditure	597 422 000	581 334 127	16 087 873	2.69	472,436,000	459 734 850
Surplus	-79 554 569	79 276 011	-158 830 580	-30.26	69,810,000	-142 330 629

CONSOLIDATED OPERATING RESULTS FOR 2014/2015



Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

5. OPERATING INCOME

The operating revenue has increased by R58.545 million which is as compared to the prior year operating revenue [2014-R602 065 479: 2015-R660 610 138]

Out of the actual income of R661 million Government grants contribute 65.34%. This analysis clearly shows that the municipality is dependent on grants for its survival. This municipality contains 105 villages (deep rural) and two township which makes it difficult to collect the revenue.

The analysis below shows a remarkable improvement in terms of the capital grants spending, thus service delivery to our people. In addition the municipality managed to achieve its budget target on the revenue refer to item 6 below. Despite the improvement the municipality did not achieve its target on the traffic fines revenue due to the fact that the system was only purchased at year end.

INCOME	Budget	Actual	Variance		Percentage Composition	Actual
	2015	2015	2015			2014
	R	R	R	%		R
Property rates	66 374 000	65 624 393	749 607	98,87	10,13	54 104 609
Service charges	123 076 431	127 753 041	-4 676 610	103,80	20,39	103 170 616
Interest Received (investment)	32 200 000	33 161 846	-961 846	102,99	3,48	28 979 909
Traffic fines	3 500 000	1 204 300	2 295 700	34,41	0.18	2 940 600

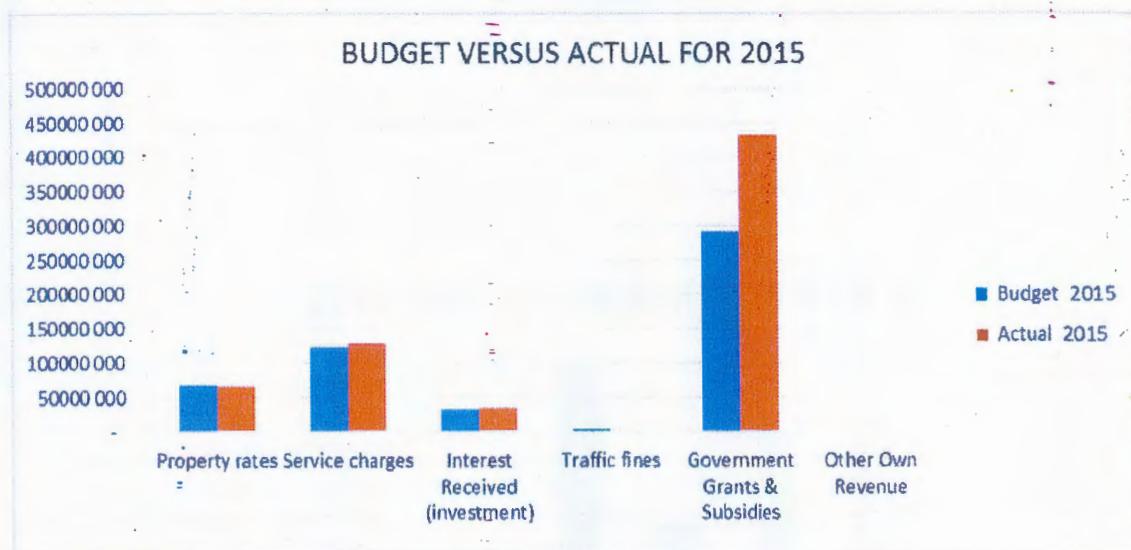
Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

Government Grants & Subsidies	291 260 848	431 618 736	-140 357 888	148.19	65.34	411 561 046
Other Own Revenue	1 456 152	1 247 822	208 330	85.69	0.19	1 308 699
Totals	517 867,431	660 610 138	-142 742 706	574	100	600 754 901



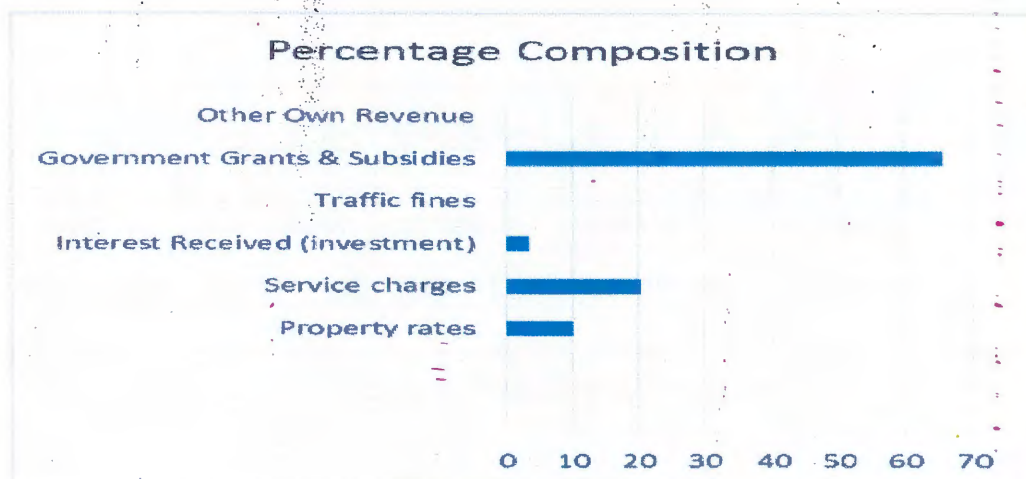
NB from the above analysis government grants performed more than the budget due to the roll over that were realized; Property rates performed 99%, service charges as well as the exceeded the budget, poor collection on the traffic fines.

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer



Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

6. USER LEVIED CHARGES:

In the year under review there was a notable improvement with regards billing due to the cleansing of data BY DBSA resulting

In the following

- Adjusting journals to correct mistakes with regard client type
- Meter information such as meter stuck , failing to read , or green were attended thus improvement in the billing
- The continued implementation of the DBSA 's recommendation on billing information has improved on the billing data

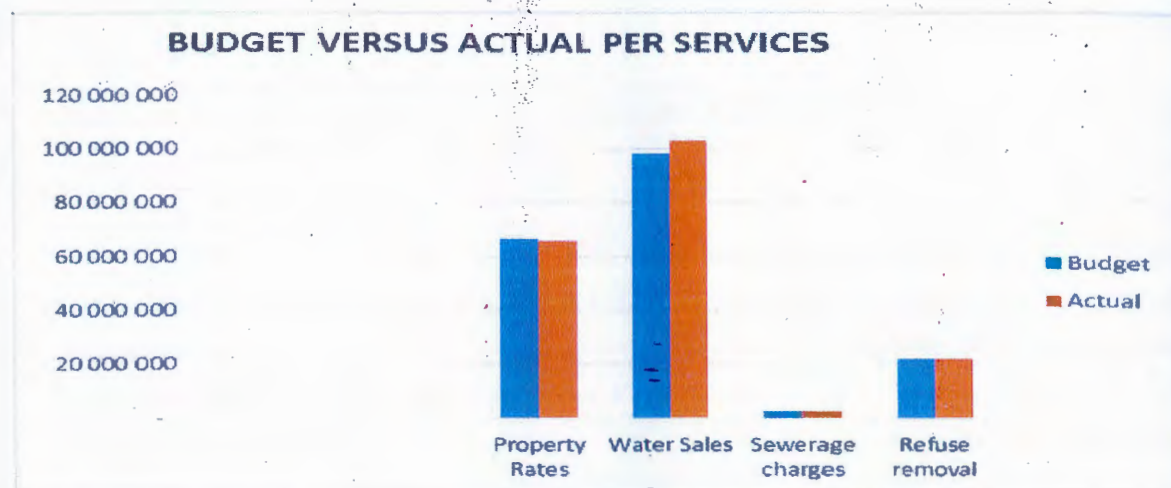
Description	Budget	Actual	Variance	Actual
	2015	2015		2014
	R	R	R	R
Property Rates	66 373 946	65 624 393	749 553	54 104 609
Water Sales	98 385 180	102 965 172	-4 579 992	94 941 484
Sewerage charges	2 879 694	2 854 720	24 974	2 757 279
Refuse removal	21 811 557	21 933 150	-121 593	5 471 853
Totals	189 450 377	193 377 435	-3 927 058	157 275 225

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer



7. Debtors age analysis

Based on the analysis below, the government seemed to be the biggest contributor of the debtors' book of the municipality, however this was coursed by the corrections of all the abeyance recorded in the municipal system.

Outstanding Debtors	Days Outstanding				
Details	Current	60	90	120	>120
Debtors by customer classification	R				
Consumers	9 270	6 992	7 580	6 819	166 199
Industrial/Commercial	6 369	2 713	2 384	2 004	80 601
National and Provincial Government	102 506	1 206	642	672	16 657

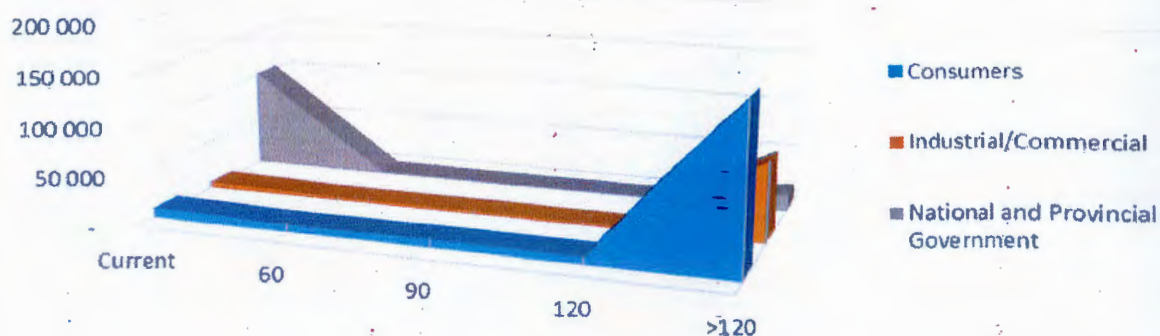
Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

AGE ANALYSIS PER CATEGORY



8. OPERATING EXPENDITURE 2014/2015

The following shows the expenditure per grouping versus amounts budgeted:

Description	2015	2015	Adjustments Budget	2014	Year 0 Variance	
	Actual	Original Budget		Actual	Original Budget	Adjustments Budget
Operating Cost						
Personnel	129 574	152 935	132 577	115 661		
Remuneration of Councillors	19 154	19 515	19 004	18 179		
Debt Impairment	59 111	51 518	54 945	64 814		
Depreciation and Amortisation	67 342	95 468	95 468	65 865		
Finance Costs	9 316	9 998				

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

			8 998	8 586		
Bulk Purchases	55 524	43 500	52 500	41 849		
Contracted	24 293	29 000	24 949	27 756		
Other Expenditure	167 514	147 463	170 874	85 646		
Repairs	45 432	33 148	38 105	31 377		
Gains and Losses	4 074					
Total Expenditure	581 334	582 545	597 420	459 733		

8.1 REMUNERATION vs. OPERATING EXPENDITURE

The saving on expenditure on employee related costs compared to the budget can be attributed to savings realized on vacancies not filled as well as vacancies filled at a later stage during the financial year.

The upper limits of salaries, allowances and benefits of different members of the council have been paid in terms of the remuneration of Public Bearers Act, 1988 (Act NO. 20 of 1998) as promulgated in the Government gazette issued in 25 March 2015. The salaries of the employees of the council has been paid in terms of the stipulations as contained in the salary and wages collective agreement of the South African Local Government Bargaining council for the 2014/2015 financial year.

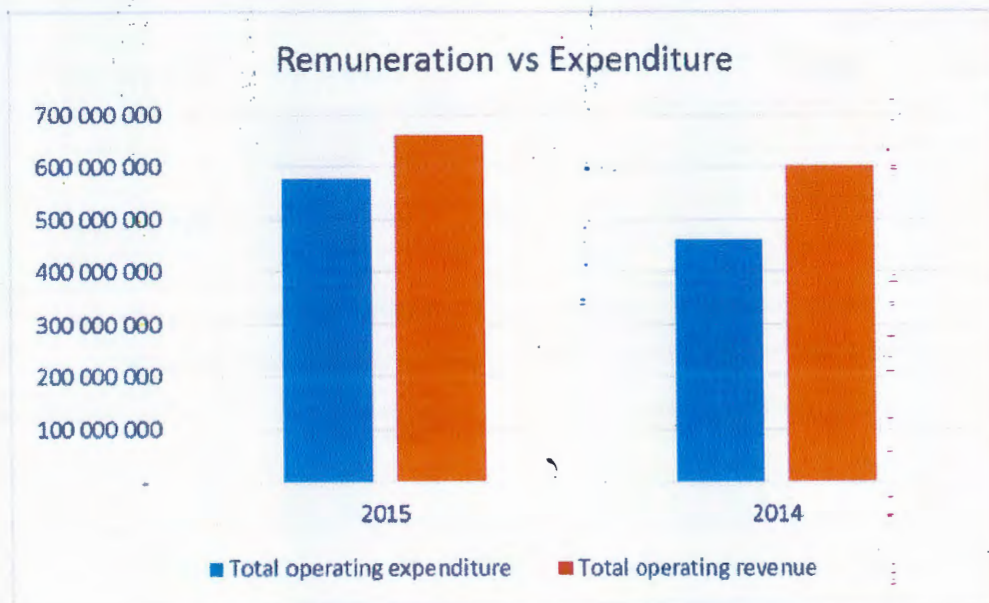
Moses Kotane Local Municipality

(Demarcation code NW375)

Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

Description	2015	2014
	Municipality	Municipality
	R	R
Total operating expenditure	581 334 127	459 734 850
Total operating revenue	660 610 138	602 065 479
Employee remuneration	129 574 188	115 660 606
Ratio: % of total expenditure	22.29%	25.16%
Ratio: % of total revenue	19.61%	19.21%
% decrease in remuneration	2.83%	5.95%



Moses Kotane Local Municipality

(Demarcation code NW375)

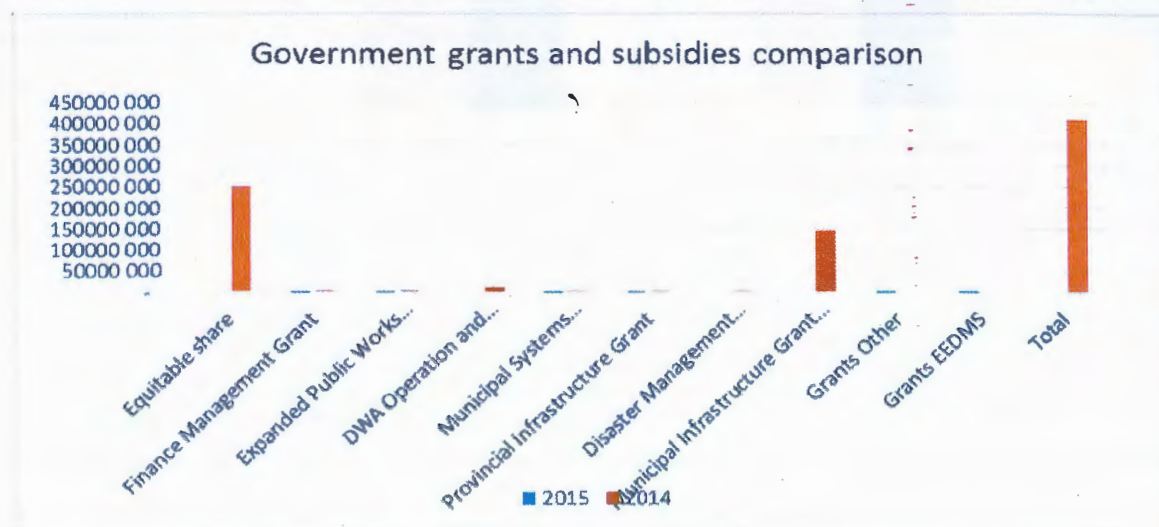
Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

9. GRANTS AND SUBSIDIES:

Description	2015	2014
	Municipality	Municipality
	R	R
Equitable share	275 714 000	248 276 650
Finance Management Grant	1600 000	1 550 000
Expanded Public Works Programme	1845 000	2 386 000
DWA Operation and Maintenance	15 199 975	11 792 847
Municipal Systems Improvement Grant (MSIG)	934 000	890 000
Provincial Infrastructure Grant	530 000	880 641
Disaster Management Awareness	0	212 493
Municipal Infrastructure Grant (MIG)	128 836 977	145 572 415
Grants Other	3 184 798	-
Grants EEDMS	3 773 307	-
Total	431 619 000	411 561 046

The variation in the actual amounts between the 2014/2015 and 2013/2014 financial years are due to the increase of the equitable share and the transfer of the Conditional Grants met to revenue.



Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

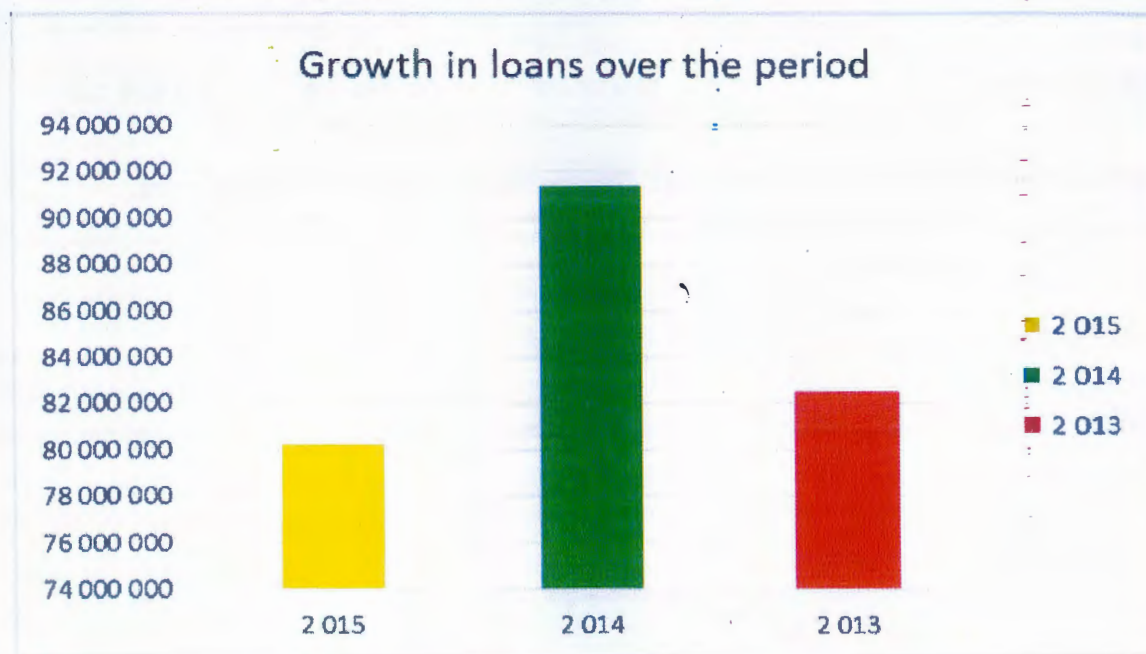
10. MUNICIPAL DEBT & INVESTMENTS

10.1. Long Term Debt

Below is the movement of long term debtors at year-end

External Loans	2015	2014	2013
	R	R	R
Long-term loans	72 496 137	79 812 554	82 476 847
Total	72 496 137	79 812 554	82 476 847
Finance Lease Obligation (minimum lease payments)	7 688 909	11 523 333	

The municipality has entered into a finance lease for ICT hardware and revamp to the value of R12 Million, and the balance at year end amounts to R7.688 million.



Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

10.2 Investments

	2015		2013
	2014	2013	
INSTITUTION	R	R	R
Absa Rustenburg Branch	10 592 629	17 430 483	1 960 880
Capital Replacement Reserve	27 450 737	18 105 823	-
Housing Account	338 701	782 441	440 840
Traffic Account	415 426	208 317	189 619
MKLM Call Account	12 454 016	75 719 605	41 568 609
Housing Subsidy Account	9 404	9 021	8 700
MIG Call Account	28 816 714	48 975 665	116 397 196
Civic Centre Call Account	70 649	4 451 806	13 070 317
Water & Sanitation Call Account	194 725	186 841	180 184
Ledig Reservoir	5 120 462	-	-
Petty cash	20 000	20 000	-
Total Investments	85 483 463	165 890 006	173 816 345

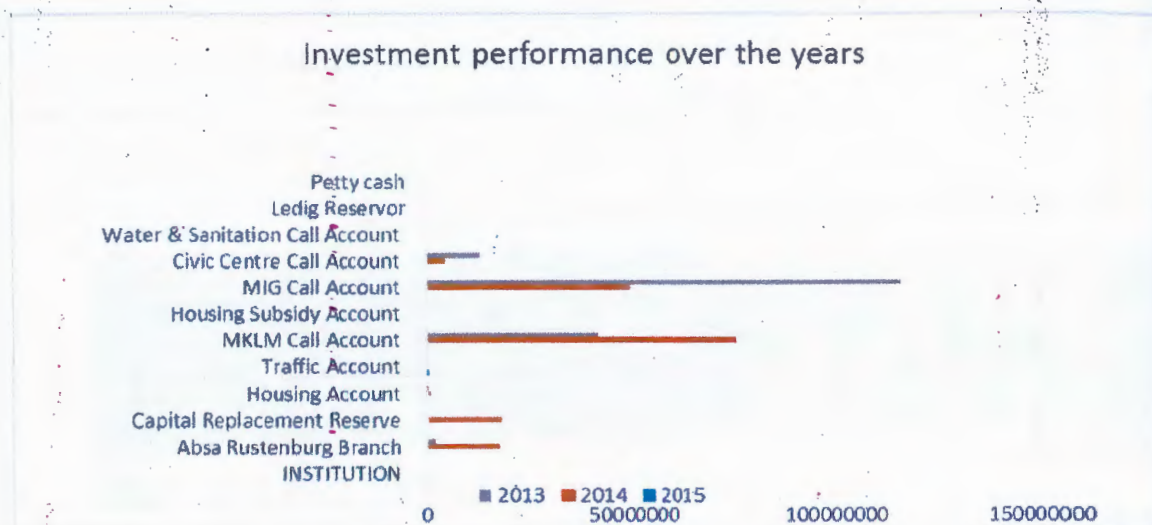
The graph below shows that the municipality has sufficient cash to honour its long commitment.

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer



11. CAPITAL EXPENDITURE AND FINANCING

As far as the capital expenditure is concerned, Council addressed the backlog in certain areas without neglecting the current assets. Backlogs in infrastructure were given a very high priority during the approval of the capital- and operating expenditure. In addition, the Council adhered to guidelines that National Treasury had set for capital expenditure while capital expenditure program was IDP driven. The expenditure incurred during the year in respect of fixed assets, amounted to R123 355 426

The table shows the distribution of the fixed assets according to the type of asset:

	Carrying Value	Carrying Value	Movement	Growth
Description	2015	2014		%
	R	R	R	
Land	13 026 149	13 026 149	0	-
Buildings	30 027 406	30 901 651	-874 245	-2.83
Infrastructure	802 096 847	750 457 240	51 639 607	6.88

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

Community Assets	128 188 470	116 945 264	11 243 206	9.61
Other PPE	64 055 916	30 284 536	33 771 380	111.51
Total	1 037 394 788	941 641 840	95 779 948	10.17

The above-mentioned fixed assets were financed from the following sources:

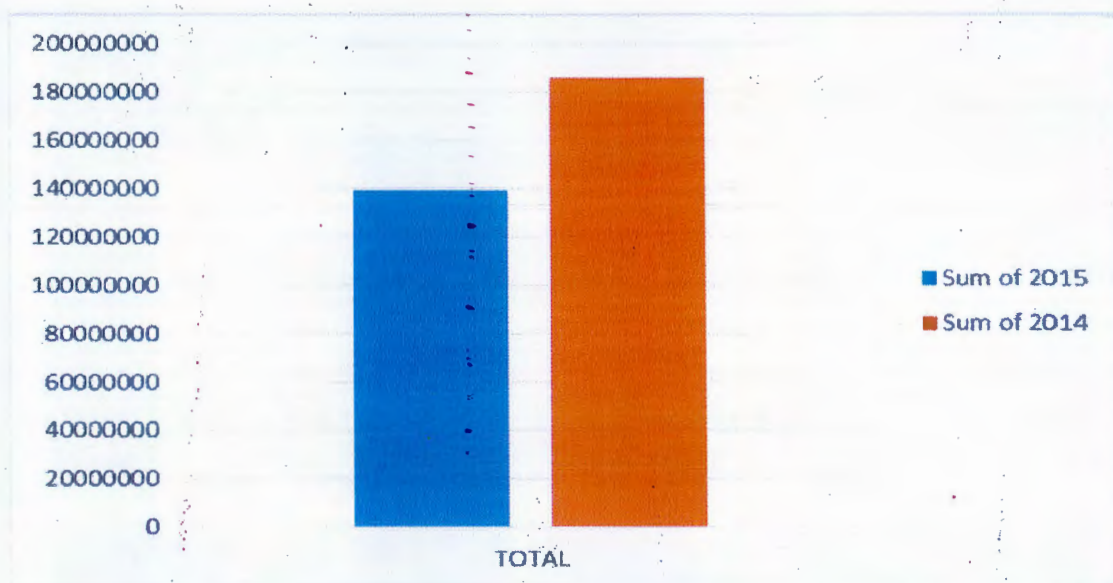
Funding source	2015	2014	Variance	% Change
	R	R	R	
Absa Annuity Loan	14 781 534	16 733 329	-1 951 795	13.20
INCA Annuity Loan	24 696 111	27 595 826	-2 899 715	11.74
DBSA Annuity Loan	33 018 492	35 483 398	-2 464 906	7.47
Finance Lease Obligation (minimum lease payments)	7 688 910	11 523 333	-3 834 423	49.87
Unspent Conditional Grants	2 587 086	23 575 846	-20 988 760	811.29
Payables from Exchange Transactions	57 711 009	72 935 761	-15 224 752	26.38
TOTAL	140 483 142	187 847 493	-47 364 351	920

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer



Key Financial Ratios

Type	2015	2014
Cash and cash equivalents	85 483 463	165 889 206
Liquidity ratio	3.87	3.34
Acid test ratio	3.70	3.23
Gearing ratios		
Debt/Equity	14.41%	19.42%
Debt Ratio (Liabilities/Assets)	13%	16%

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

Type	2015	2014	Variance (R)	Variance
	Municipality	Municipality	Group	Group
	R	R	R	(%)
Current assets	354 038 659	416 129 484	-62 090 825	-17.54
Non-current assets	1 037 658 590	941 865 709	95 792 881	9.23
Total Assets	1 391 697 249	1 357 995 193	33 702 056	2.42
Current liabilities	91 407 670	124 739 536	-33 331 866	-36.47
Non-current liabilities	83 882 644	96 124 748	-12 242 104	-14.59
Total liabilities	175 290 314	220 864 284	-45 573 970	-26.00
Net Assets	1 216 406 935	1 137 130 909	79 276 026	12.95

Financial Statistics	2015	2014
	Municipality	Municipality
Current asset ratio	3.87	3.34
Acid test ratio	3.70	3.23
Total long-term debt to total revenue*	0.13	0.16
Inventory turnover (times)	0.16	0.22
Cash-flow to Debt ratio (operating cash flow to debt)	0.94	1.33
Financing to capital expenditure ratio	17%	23%
Repairs & maintenance to annual operating revenue	6.88%	5.21%
Net debtors to total annual operating revenue	34.53%	36.43%

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

12. INVESTMENTS

External investments on 30 June 2015 amounted to R85 483 463 compared to R165 889 206 for 2013/2014.

Investments & Bank Accounts

	2015		2014	2013
	R	R	R	R
INSTITUTION				
Absa Rustenburg Branch	10 592 629	17 430 483	1 960 880	
Capital Replacement Reserve	27 450 737	18 105 823	-	
Housing Account	338 701	782 441	440 840	
Traffic Account	415 426	208 317	189 619	
MKLM Call Account	12 454 016	75 719 605	41 568 609	
Housing Subsidy Account	9 404	9 021	8 700	
MIG Call Account	28 816 714	48 975 665	116 397 196	
Civic Centre Call Account	70 649	4 451 806	13 070 317	
Water & Sanitation Call Account	194 725	186 841	180 184	
Ledig Reservoir –Water projects	5 120 462	-	-	
Petty cash	20 000	20 000		
Total Investments	85 483 463	165 890 006	173 816 345	

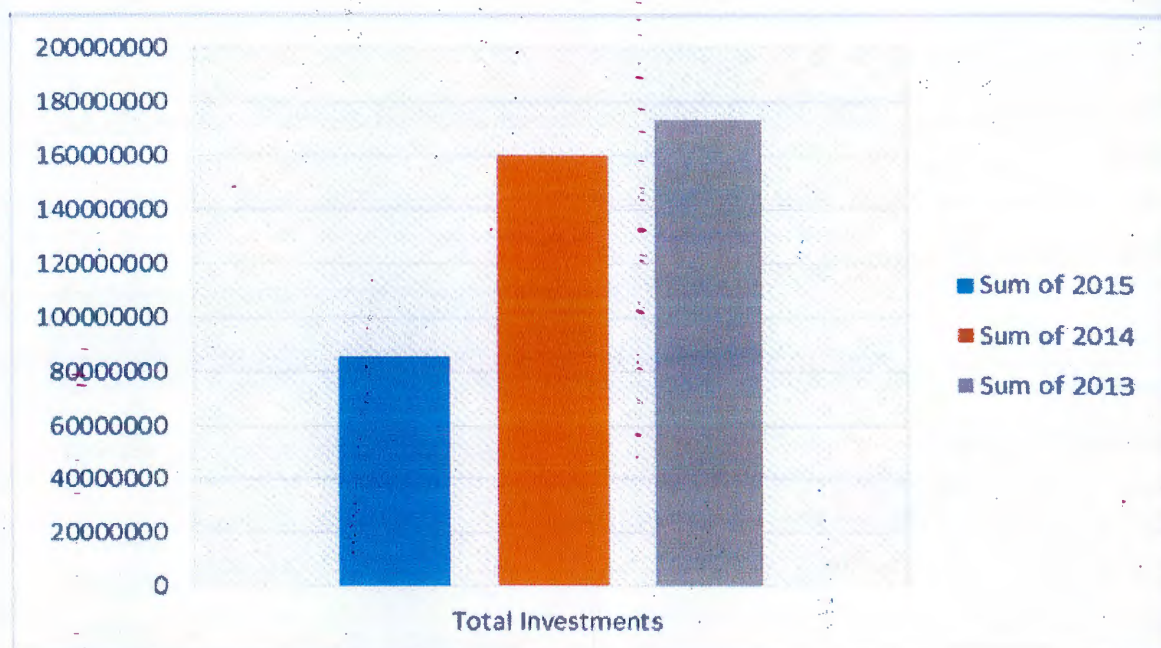
Investment Trends over the years.

Moses Kotane Local Municipality

(Demarcation code NW375)

Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer



13. HOUSING

The council is acting as an agent for the Northwest Province for the building of RDP houses. The property on which the houses are built belongs to the Traditional Authorities in that area and not to the council. The houses will also be registered in the name of the beneficiary whom is receiving a subsidy from Provincial Government.

The money received from the Northwest Province is paid into a separate bank account from where the suppliers are being paid.

14. EXPRESSION OF APPRECIATION

I am grateful to the Mayor, the Executive Committee, Municipal Manager, Councilors and Departmental Managers for the support they have given to the department during the 2014/2015 financial year.

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Report of the Chief Financial Officer

A special word of appreciation is extended to the team of the Budget and Treasury Office for the months of hard work, sacrifices and dedicated efforts during the financial year to enable us to finalize these financial statements. A special word of thanks to the HOU's: Expenditure and Revenue and SCM for their dedication and countless days and nights spent to achieve the goals. To the Managers that came in after hours to help with the final reconciliations please accept our appreciation.



Ms. L O NDLOVU

Chief Financial Officer

Moses Kotane Local Municipality

31 August 2015

Moses Kotane Local Municipality

(Demarcation code NW375)

Financial Statements for the year ended 30 June 2015

Statement of Financial Position as at 30 June 2015

Figures in Rand	Note(s)	2015	2014 Restated*
Assets			
Current Assets			
Inventories	6	15 933 227	13 347 530
Consumer debtors	9	228 139 329	219 356 842
Receivables from exchange transactions	7	2 835 406	1 687 056
Cash and cash equivalents	10	85 483 463	165 889 206
Receivables from non-exchange transactions	8	11 711 548	12 523 821
VAT receivable		9 935 686	3 325 029
		354 038 659	416 129 484
Non-Current Assets			
Property, plant and equipment	3	1 037 394 788	941 614 840
Heritage assets	4	14 000	14 000
Other financial assets	5	249 802	236 869
		1 037 658 590	941 865 709
Total Assets		1 391 697 249	1 357 995 193
Liabilities			
Current Liabilities			
Provisions	14	18 835 093	17 142 245
Payables from exchange transactions	15	57 711 009	72 935 761
Unspent conditional grants and receipts	12	2 587 086	23 575 846
Finance lease obligation	11	4 161 038	3 834 424
Other financial liabilities	13	8 113 444	7 251 260
		91 407 670	124 739 536
Non-Current Liabilities			
Other financial liabilities	13	64 391 674	72 561 294
Finance lease obligation	11	3 527 871	7 688 909
Provisions	14	15 963 099	15 874 545
		83 882 644	96 124 748
Total Liabilities		175 290 314	220 864 284
Net Assets		1 216 406 935	1 137 130 909
Accumulated surplus		1 216 406 935	1 137 130 909

* See Note 35

Moses Kotane Local Municipality

(Demarcation code NW375)

Financial Statements for the year ended 30 June 2015

Statement of Financial Performance

Figures in Rand	Note(s)	2015	2014 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	18	127 753 041	103 170 616
Commission received		105 115	314 832
Rental income		5 287	5 485
Sales of housing stands		-	39 291
Other income	20	1 137 420	949 091
Interest received	26	33 161 846	28 979 909
Total revenue from exchange transactions		162 162 709	133 459 224
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	17	65 624 393	54 104 609
Transfer revenue			
Government grants & subsidies	19	431 618 736	411 561 046
Fines		1 204 300	2 940 600
Total revenue from non-exchange transactions		498 447 429	468 606 255
Total revenue	16	660 610 138	602 065 479
Expenditure			
Employee related costs	22	(129 574 188)	(115 660 606)
Remuneration of councillors	23	(19 153 919)	(18 178 882)
Contribution to provisions	24	(7 542 258)	(9 536 173)
Depreciation and amortisation	27	(67 341 989)	(64 814 883)
Finance costs	28	(9 315 631)	(8 586 287)
Debt Impairment	25	(59 110 887)	(65 865 525)
Repairs and maintenance		(45 432 730)	(31 377 333)
Bulk purchases	31	(55 524 546)	(41 849 414)
Contracted services	30	(24 292 831)	(27 756 081)
Ward committee's		(3 496 922)	(2 597 639)
General Expenses	21	(156 474 056)	(73 512 027)
Total expenditure		(577 259 957)	(459 734 850)
Operating surplus		83 350 181	142 330 629
Loss on disposal of assets and liabilities		(4 074 170)	-
Surplus for the year		79 276 011	142 330 629

* See Note 35

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	886 631 536	886 631 536
Adjustments		
Prior year adjustments	108 209 358	108 209 358
Balance at 01 July 2013 as restated*	994 800 279	994 800 279
Changes in net assets		
Surplus for the year	142 330 630	142 330 630
Total changes	142 330 630	142 330 630
Restated* Balance at 01 July 2014	1 137 130 924	1 137 130 924
Changes in net assets		
Surplus for the year	79 276 011	79 276 011
Total changes	79 276 011	79 276 011
Balance at 30 June 2015	1 216 406 935	1 216 406 935

Disclosure of prior period errors is provided in note 35 on page 74.

* See Note 35

Moses Kotane Local Municipality

(Demarcation code NW375)

Financial Statements for the year ended 30 June 2015

Cash Flow Statement

Figures in Rand	Note(s)	2015	2014 Restated*
Cash flows from operating activities			
Receipts			
Revenue from non-exchange transactions		70 513 996	23 766 230
Sale of goods and services		107 569 767	110 495 811
Grants		412 646 549	354 379 064
Interest income		33 161 846	28 979 909
		623 892 158	517 621 014
Payments			
Employee costs		(148 728 107)	(133 839 488)
Suppliers		(367 903 277)	(241 379 331)
Finance costs		(9 315 631)	(8 586 287)
		(525 947 015)	(383 805 106)
Net cash flows from operating activities	32	97 945 143	133 815 908
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(168 864 357)	(38 685 589)
Proceeds from sale of property, plant and equipment	3	127 702	-
Increase (decrease) in other financial assets		(12 933)	(12 015)
Non-cash correction in current year		1 540 562	76 531
Correction of error as disclosed in 2014 AFS		-	24 976 532
Adjustment on prior year Library Grant		-	302 080
Amounts attributable to assets under construction		-	(142 482 502)
Net cash flows from investing activities		(167 209 026)	(155 824 963)
Cash flows from financing activities			
Increase in (Repayment of) other financial liabilities		(7 307 436)	(2 664 293)
Finance lease payments		(3 834 424)	11 523 333
Net cash flows from financing activities		(11 141 860)	8 859 040
Net increase/(decrease) in cash and cash equivalents		(80 405 743)	(13 150 015)
Cash and cash equivalents at the beginning of the year		165 889 206	179 039 221
Cash and cash equivalents at the end of the year	10	85 483 463	165 889 206

* See Note 35

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

Statement of Financial Performance

Revenue

Revenue from exchange transactions

Service charges	127 557 000	(4 480 569)	123 076 431	127 753 041	4 676 610	N/A
Commissions received	500 000	(400 000)	100 000	105 115	5 115	N/A
Rental income	-	-	-	5 287	5 287	N/A
Sale of Stands/Land	40 000	15 000	55 000	-	(55 000)	N/A
Other income	23 616 000	385 000	24 001 000	1 137 420	(22 863 580)	Interest on Debtors included in other Revenue
Interest received - investment	9 700 000	(200 000)	9 500 000	33 161 846	23 661 846	N/A
Total revenue from exchange transactions	161 413 000	(4 680 569)	156 732 431	162 162 709	5 430 278	

Revenue from non-exchange transactions

Taxation revenue

Property rates	65 774 000	600 000	66 374 000	65 624 393	(749 607)	N/A
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Transfer revenue

Government grants & subsidies	291 261 000	-	291 261 000	431 618 736	140 357 736	Condition met
Fines	3 500 000	-	3 500 000	1 204 300	(2 295 700)	Contract terminated

Total revenue from non-exchange transactions	360 535 000	600 000	361 135 000	498 447 429	137 312 429	
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Total revenue	521 948 000	(4 080 569)	517 867 431	660 610 138	142 742 707	
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Expenditure

Personnel	144 020 000	(11 443 000)	132 577 000	(129 574 188)	3 002 812	Late appointments
Remuneration of councillors	19 515 000	(511 000)	19 004 000	(19 153 919)	(149 919)	N/A
Provision	3 225 000	-	3 225 000	(7 542 258)	(4 317 258)	Provision for leave
Depreciation and amortisation	95 468 000	-	95 468 000	(67 341 989)	28 126 012	Project not completed
Finance costs	9 998 000	(1 000 158)	8 997 842	(9 315 631)	(317 789)	N/A
Debt impairment	53 998 000	(2 277 430)	51 720 570	(59 110 887)	(7 390 317)	Non payment
Repairs and maintenance	35 486 000	2 619 800	38 105 800	(45 432 730)	(7 326 930)	Expenditure on water grant from NWPG
Bulk purchases	43 500 000	9 000 000	52 500 000	(55 524 546)	(3 024 546)	Overspend on bulk purchases
Contracted Services	27 779 000	(2 830 000)	24 949 000	(24 292 831)	656 169	Contract terminated
Ward committees	4 100 000	(300 000)	3 800 000	(3 496 922)	303 078	N/A
General Expenses	164 413 000	2 661 788	167 074 788	(156 474 056)	10 600 732	N/A
Total expenditure	601 502 000	(4 080 000)	597 422 000	(577 259 957)	20 162 044	

Moses Kotane Local Municipality

(Demarcation code NW375)

Financial Statements for the year ended 30 June 2015

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Operating surplus	1 123 450 000	(8 160 569)	1 115 289 431	83 350 181	(1 031 939 250)	
Loss on disposal of assets and liabilities	-	-	-	(4 074 170)	(4 074 170)	
Surplus before taxation	1 123 450 000	(8 160 569)	1 115 289 431	79 276 011	(1 036 013 420)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	1 123 450 000	(8 160 569)	1 115 289 431	79 276 011	(1 036 013 420)	

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Appropriation Statement

Figures in Rand

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
2015											
Financial Performance											
Property rates	65 774 000	600 000	66 374 000	-	-	66 374 000	65 624 393	-	(749 607)	99 %	100 %
Service charges	127 557 000	(4 480 000)	123 077 000	-	-	123 077 000	127 753 041	-	4 676 041	104 %	100 %
Investment revenue	9 700 000	(200 000)	9 500 000	-	-	9 500 000	33 161 846	-	23 661 846	349 %	342 %
Transfers recognised - operational	291 261 000	-	291 261 000	-	-	291 261 000	431 618 735	-	140 357 735	148 %	148 %
Other own revenue	27 656 000	-	27 656 000	-	-	27 656 000	2 452 124	-	(25 203 876)	9 %	9 %
Total revenue (excluding capital transfers and contributions)	521 948 000	(4 080 000)	517 868 000	-	-	517 868 000	660 610 139	-	142 742 139	128 %	127 %
Employee costs	144 020 000	(11 443 000)	132 577 000	-	-	132 577 000	(129 574 188)	-	(262 151 188)	(98)%	(90)%
Remuneration of councillors	19 515 206	(511 000)	19 004 206	-	-	19 004 206	19 153 919	-	149 713	101 %	98 %
Debt impairment	53 998 000	(2 277 000)	51 721 000	-	-	51 721 000	(59 110 887)	-	(110 831 887)	(114)%	(109)%
Depreciation and asset impairment	95 468 000	-	95 468 000	-	-	95 468 000	(67 341 989)	-	(162 809 989)	(71)%	(71)%
Finance charges	9 998 000	(1 000 000)	8 998 000	-	-	8 998 000	(9 315 631)	-	(18 313 631)	(104)%	(93)%
Materials and bulk purchases	78 986 000	11 620 000	90 606 000	-	-	90 606 000	(100 957 276)	-	(191 563 276)	(111)%	(128)%
Other expenditure	199 517 000	(469 000)	199 048 000	-	-	199 048 000	(234 188 082)	-	(433 236 082)	(118)%	(117)%
Total expenditure	601 502 206	(4 080 000)	597 422 206	-	-	597 422 206	(581 334 134)	-	(1 178 756 340)	(97)%	(97)%
Surplus/(Deficit)	1 123 450 206	(8 160 000)	1 115 290 206	-	-	1 115 290 206	79 276 005	-	1 036 014 201	7 %	7 %

Moses Kotane Local Municipality
(Demarcation code NW375)
Financial Statements for the year ended 30 June 2015

Appropriation Statement

Figures in Rand

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Transfers recognised - capital	217 807 000	(16 800 000)	201 007 000	-		201 007 000	160 016 279		(40 990 721)	80 %	73 %
Surplus (Deficit) after capital transfers and contributions	1 341 257 206	(24 960 000)	1 316 297 206	-		1 316 297 206	239 292 284		1 077 004 922	18 %	18 %
Surplus/(Deficit) for the year	1 341 257 206	(24 960 000)	1 316 297 206	-		1 316 297 206	239 292 284		1 077 004 922	18 %	18 %

Moses Kotane Local Municipality

(Demarcation code NW375)

Financial Statements for the year ended 30 June 2015

Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these financial statements, is disclosed below.

1.1 Presentation currency

These financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.2 Basis of preparation

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost basis unless otherwise stated. Under this basis the effects of transactions and other events are recognized when they occur and are recorded in the financial statements within the period to which they related. Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by an accounting standard.

A summary of significant accounting policies, which have been applied consistently are consistent with those of the previous year financial statements, unless explicitly stated the details of any changes in the accounting policies are explained in the relevant policy.

The standards are summarized as follows:

GRAP 1: Presentation of the financial statements

GRAP 2: Cash flow statements

GRAP 3: Accounting policies, changes in accounting estimates and errors

GRAP 4: The effect of changes in foreign exchange transactions

GRAP 5: Borrowing cost

GRAP 6: Consolidated and separate financial statements

GRAP 7: Investments in associates

GRAP 8: Interest in joint ventures

GRAP 9: Revenue from exchange transactions

GRAP 10: Financial reporting in hyperinflationary economies

GRAP 11: Construction contracts

GRAP 12: Inventories

GRAP 13: Leases

GRAP 14: Events after reporting date

GRAP 16: Investment property

GRAP 17: Property, plant and equipment

GRAP 19: Provisions, contingent liabilities and contingent assets

Moses Kotane Local Municipality

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Financial Statements for the year ended 30 June 2015

Accounting Policies

1.2 Basis of preparation (continued)

GRAP 21: Impairment of non-cash – general Property, plant and equipment

GRAP 23: Revenue from non-exchange transactions (taxes and transfer)

GRAP 26: Impairment of cash-generating assets

GRAP 100: Non-current assets held for sale and discontinued operations

GRAP 101: Agricultural

GRAP 102: Intangible assets Additional text

GRAP 103: Heritage assets

GRAP 104: Financial instrument

Consideration was given to the Accounting standards approved but not yet affected in the accounting policy. A number of new standards that are not yet effective for the year ended 30 June 2015 are presented in note 2 GRAP 21 : Impairment of non cash generating assets.

1.3 Going Concern

These annual financial statements have been prepared on the assumption that the Municipality will continue to operate as a going concern for at least the next 12 months.

1.4 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

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1.4 Property, plant and equipment (continued)

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Major spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Subsequent to initial measurement property, plant and equipment is carried at cost less accumulated depreciation and any accumulated impairment losses.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Land	Infinite
Buildings	10-50 years
Infrastructure	15 - 100 years
• Roads	30
• Paving	20
• Electricity	20 - 30
• Water	15 - 20
• Sewerage	20 - 30
• Housing	30
• Building	30
Community	7 - 100 years
• Buildings	30
• Recreational Facilities	20 - 30
Other property, plant and equipment	
• Other vehicles	5
• Office equipment	7
• Computer equipment & software	5
• Specialist vehicles	7
• Security	5
• Furniture and fittings	7
• Bins and containers	5
• Specialized plant and equipment	15
• Other items of plant and equipment	5
• Land fill sites	55
Heritage	Indefinite
• Other property, plant and equipment	2 - 10 years

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Accounting Policies

1.4 Property, plant and equipment (continued)

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognized in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognized on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item. Such difference is recognized in surplus or deficit when the item is derecognized.

Compensation from third parties for an item of property, plant and equipment that was impaired, lost or given up is recognized in surplus or deficit when the compensation becomes receivable.

Useful lives of property, Plant and equipment.

The municipality's management determines the estimated useful lives and related depreciation charges for property, plant and equipment. This estimate is based on the pattern in which an asset's future economic benefits or services potential are expected to be consumed by the Municipality.

1.5 Heritage assets

Assets are resources controlled by an municipality as a result of past events and from which future economic benefits or service potential are expected to flow to the municipality.

Carrying amount is the amount at which an asset is recognised after deducting accumulated impairment losses.

Class of heritage assets means a grouping of heritage assets of a similar nature or function in an municipality's operations that is shown as a single item for the purpose of disclosure in the financial statements.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

An impairment loss of a cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

An impairment loss of a non-cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

An inalienable item is an asset that an municipality is required by law or otherwise to retain indefinitely and cannot be disposed of without consent.

Recoverable amount is the higher of a cash-generating asset's net selling price and its value in use.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

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1.5 Heritage assets (continued)

Value in use of a cash-generating asset is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Value in use of a non-cash-generating asset is the present value of the asset's remaining service potential.

1.6 Financial instruments

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Trade and other receivables	Financial asset measured at amortised cost
Other receivables from non-exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalent	Financial asset measured at fair value
Other financial assets	Financial asset measured at fair value

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Other financial liabilities	Financial liability measured at amortised cost
Trade and other payables	Financial liability measured at amortised cost

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity measures a financial asset and financial liability initially at its fair value [if subsequently measured at fair value

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1.6 Financial instruments (continued)

The entity first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

Cash and cash equivalent

These are initially and subsequently recorded at fair value. For cashflow purposes, cash and cash equivalent includes cash on hand, deposits held at call accounts with banks, other shortterm highly liquid investment with original maturities of three months or less, and overdrafts. These are subject to a significant risk of changes in value.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique.

The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, an municipality calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

Reclassification

The entity does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification.

Where the entity cannot reliably measure the fair value of an embedded derivative that has been separated from a host contract that is a financial instrument at a subsequent reporting date, it measures the combined instrument at fair value. This requires a reclassification of the instrument from amortised cost or cost to fair value.

If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the entity reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.

If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the entity reclassifies the instrument from cost to fair value.

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1.6 Financial instruments (continued)

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The entity assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Derecognition

Financial assets

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

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1.6 Financial instruments (continued)

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Presentation

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

Any contingent rent is recognized separately as an expense when paid or payable and are not straight-lined over the lease term.

1.8 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

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1.8 Inventories (continued)

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

Water is regarded as inventory when the municipality purchases water in bulk with the intention to resell it to consumers or to use it internally, or where the municipality has incurred purification costs on water obtained from natural resources (e.g. rain, rivers, springs, boreholes etc.). However, water in dams that are filled by natural resources and that has not yet been treated, and is under the control of the municipality but cannot be measured reliably as there is no cost attached to the water, and it is therefore not recognised in the statement of financial position.

The basis of determining the cost of water purchased and not yet sold at statement of financial position date comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventory to its present location and condition, net of trade discounts and rebates.

Water is valued by using the weighted average method, at the lowest of purified cost and net realisable value, insofar as it is stored and controlled in reservoirs at year-end.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs. Unsold properties are measured fair value at date of valuation roll

1.9 Related parties

Individuals as well as their close family members, and/or entities are related parties if one of the party has the ability, directly or indirectly to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Key management personnel is defined as the Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

1.10 Impairment of cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the municipality; or
- (b) the number of production or similar units expected to be obtained from the asset by the municipality.

Identification

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

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1.10 Impairment of cash-generating assets (continued)

Irrespective of whether there is any indication of impairment, the municipality also test a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Recognition and measurement (cash-generating unit)

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
 - its value in use (if determinable); and
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1.10 Impairment of cash-generating assets (continued)

- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

Reversal of impairment loss

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.11 Impairment of non-cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the municipality; or
 - (b) the number of production or similar units expected to be obtained from the asset by the municipality.
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1.11 Impairment of non-cash-generating assets (continued)

Identification

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

Irrespective of whether there is any indication of impairment, the entity also test a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognized immediately.

An impairment loss is recognized immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.12 Share capital / contributed capital

An equity instrument is any contract that evidences a residual interest in the assets of an municipality after deducting all of its liabilities.

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1.13 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of surplus sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.14 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating deficits.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

1.15 Revenue from exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

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1.15 Revenue from exchange transactions (continued)

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by surveys of work performed.

Service revenue relating to water are recognized based on consumption. Meters are read on a monthly basis and are recognized as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognized as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognized as revenue in the invoicing period.

Service revenue relating to refuse removal are recognized on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Service revenue relating to sewerage and sanitation are based on the number of sewerage connections on each developed property using tariffs approved from Council and are levied monthly.

Service revenue from the application of the approved tariff of charge is recognized when the relevant service is rendered by applying the relevant gazetted tariff.

Revenue from public contributions are recognized when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received, but the municipality has not met the condition, a liability is recognized.

1.16 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

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1.16 Revenue from non-exchange transactions (continued)

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Transfers

Apart from Services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

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Accounting Policies

1.16 Revenue from non-exchange transactions (continued)

Rates, including collection charges and penalties interest

Revenue from rates, including collection charges and penalty interest, is recognized when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the amount of the revenue can be measured reliably; and
- there has been compliance with the relevant legal requirements.

Changes to property values during a reporting period are valued by a suitably qualified valuator and adjustments are made to rates revenue, based on a time proportion basis. Adjustments to rates revenue already recognized are processed or additional rates revenue is recognized.

Gifts and donations, including goods and services in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Services in-kind are not recognized.

Recovery of unauthorized, irregular, fruitless and wasteful expenditure

Revenue from recovery of unauthorized, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognized when the recovery thereof from the responsible councilors or officials is virtually certain.

Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognized as revenue to the extent that the municipality has complied with any of the conditions embodied in the agreement. To the extent that the conditions have not been met a liability is recognized.

1.17 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use of sale.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.18 Comparative and budget information

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.14.1 Current year comparatives

The municipality has presented its comparison of budget amounts on a separate sheet called statement of of comparison of budget and actual amounts refer page 9 -10 currently presented in accordance with standard of GRAP . The compoarision of budget and actual amounts presentes separately each level of legislative oversight :

the approved budget and the final budget for the year ending 30 June 2013

the actual amount on a comparable basis,

by war of a note REFER to appendix E an explanation of material difference between the budget which the municipality held it publicly accountable and the actual amount,

1.14.2 Prior period comparatives

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1.18 Comparative and budget information (continued)

When the presentation, or classification of items in the annual financial statements is amended, prior period comparatives amounts are reclassified. The Nature and the reason for the reclassification are disclosed

1.19 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.20 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.21 Irregular expenditure

Irregular expenditure as defined in section 1 of the MFMA in relation of the Municipality or Municipal entity, means -

- (a) Expenditure incurred by the Municipality or Municipal entity in contravention of, or that is not in accordance with, a requirement of this act, and which has not been condoned in terms of section 170;
- (b) Expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the remuneration of Public office bearer Act, 1998 (Act No. 20 of 1998); or
- (c) Expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality's by law giving effect to such policy, and which has not been condoned in terms of such policy or by-law, but excludes expenditure by a municipality which which falls within the definition of unauthorized expenditure.

Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

Irregular expenditure that was incurred and identified during the current financial year and which was condoned before year end and/or before finalization of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, the note to the financial statements must be updated to reflect this.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

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1.22 Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

1.23 Capital Commitments

Items are classified as commitments where the Municipality commits itself to future transactions that will normally result in the outflow of resources.

Capital commitments are not recognized in the statement of financial position as a liability but are included in the disclosure notes in the following cases:

- Approved and contracted commitments, where the expenditure has been approved and the contract has been awarded at the reporting date, where disclosure is required by a specific standard of GRAP.
- Approved but not yet contracted commitments, where the expenditure has been approved and the contract has yet to be awarded or is awaiting finalisation at the reporting date.
- Items are classified as commitments where the municipality commits itself to future transactions that will normally result in the outflow of resources.
- Contract that are entered into before the reporting date, but goods and services have not yet been received are disclosed in the disclosure notes to the financial statements.
- Other commitments for contracts be non-cancellable or only cancellable at significant cost contracts should relate to something other than the business of the municipality.

1.24 TREATMENT OF ADMINISTRATION AND OTHER OVERHEAD EXPENSES

The costs of internal support services are transferred to the various services and departments to whom resources are made available.

1.25 Value Added Tax

The municipality is registered with the South African Revenue Service (SARS) for VAT on the cash basis and is liable to account for VAT at the standard rate of 14% in terms of section 7(1)(a) of the VAT Act in respect of the supply of goods or services, except for where the supplies are specifically zero-rated or exempted in terms of section 12 and 11 of the VAT Act respectively, or the supplies are scoped out for VAT purposes. The entity accounts for VAT on a monthly basis.

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2015

2014

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none">GRAP 25: Employee benefitsGRAP 1 (as revised 2012): Presentation of Financial StatementsGRAP 3 (as revised 2012): Accounting Policies, Change in Accounting Estimates and ErrorsGRAP 7 (as revised 2012): Investments in AssociatesGRAP 9 (as revised 2012): Revenue from Exchange TransactionsGRAP 12 (as revised 2012): InventoriesGRAP 13 (as revised 2012): LeasesGRAP 16 (as revised 2012): Investment PropertyGRAP 17 (as revised 2012): Property, Plant and EquipmentGRAP 27 (as revised 2012): Agriculture (Replaces GRAP 101)GRAP 31 (as revised 2012): Intangible Assets (Replaces GRAP 102)IGRAP16: Intangible assets website costsIGRAP1 (as revised 2012): Applying the probability test on initial recognition of revenue	<ul style="list-style-type: none">01 April 201301 April 201301 April 201301 April 201301 April 201301 April 201301 April 201301 April 201301 April 201301 April 201301 April 201301 April 201301 April 2013	

2.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2015 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none">GRAP 18: Segment ReportingGRAP 105: Transfers of functions between entities under common controlGRAP 106: Transfers of functions between entities not under common controlGRAP 107: MergersGRAP 20: Related partiesIGRAP 11: Consolidation – Special purpose entitiesIGRAP 12: Jointly controlled entities – Non-monetary contributions by venturesGRAP 6 (as revised 2010): Consolidated and Separate Financial StatementsGRAP 7 (as revised 2010): Investments in AssociatesGRAP 8 (as revised 2010): Interests in Joint VenturesGRAP32: Service Concession Arrangements: GrantorGRAP108: Statutory ReceivablesIGRAP17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an AssetDIRECTIVE 11: Changes in measurement bases following the initial adoption of Standards of GRAP	<ul style="list-style-type: none">01 April 201501 April 201501 April 201501 April 201501 April 201601 April 201501 April 201501 April 201501 April 201501 April 201501 April 201601 April 201601 April 201601 April 2016	

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Figures in Rand

3. Property, plant and equipment

	2015			2014		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	13 026 149	-	13 026 149	13 026 149	-	13 026 149
Buildings	37 604 637	(7 577 231)	30 027 406	37 552 074	(6 650 423)	30 901 651
Infrastructure	1 554 863 047	(752 766 200)	802 096 847	1 451 165 604	(700 708 364)	750 457 240
Community	162 161 927	(33 973 457)	128 188 470	146 269 784	(29 324 520)	116 945 264
Other property, plant and equipment	112 141 913	(48 085 997)	64 055 916	68 741 379	(38 456 843)	30 284 536
Total	1 879 797 673	(842 402 885)	1 037 394 788	1 716 754 990	(775 140 150)	941 614 840

Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Prior Year Corrections	Disposals	Transfers	Depreciation	Other depreciation	Total
Land	13 026 149	-	-	-	-	-	-	13 026 149
Buildings	30 901 651	52 563	-	-	-	(922 981)	(3 827)	30 027 406
Infrastructure	750 457 240	107 694 919	117 151	(4 114 626)	-	(49 075 852)	(2 981 985)	802 096 847
Community	116 945 264	15 892 143	-	-	-	(4 616 579)	(32 358)	128 188 470
Other property, plant and equipment	30 284 536	45 108 331	(750)	(87 246)	(1 619 801)	(9 629 154)	-	64 055 916
	941 614 840	168 747 956	116 401	(4 201 872)	(1 619 801)	(64 244 566)	(3 018 170)	1 037 394 788

The difference in the opening balance is due to:

1. The reclassification of assets between Land and Building and Community Assets amounts R 12 696 014 under Buildings and R13 341 286 under Community Assets.
2. The adjustment between classes in Infrastructure to the amount of R29 541 206.
3. It is also due to the correction on other assets to the value of R3 111 000.

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3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Additions through entity combinations	Under construction	Depreciation	Impairment loss	Total
Land	8 624 049	4 402 100	-	-	-	-	13 026 149
Buildings	44 913 490	164 566	(15 144 914)	-	969 702	(1 193)	30 901 651
Infrastructure	686 928 510	9 667 385	-	109 082 836	(54 915 216)	(306 275)	750 457 240
Community	66 609 123	8 546 762	15 144 914	33 399 666	(6 515 605)	(239 596)	116 945 264
Other property, plant and equipment	17 052 051	15 904 776	-	-	(2 672 291)	-	30 284 536
	824 127 223	38 685 589	-	142 482 502	(63 133 410)	(547 064)	941 614 840

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

4. Heritage assets

	2015			2014		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Sculpture	14 000	-	14 000	14 000	-	14 000

Reconciliation of heritage assets 2015

	Opening balance	Total
Other (specify class)	14 000	14 000

Reconciliation of heritage assets 2014

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Figures in Rand	2015	2014
4. Heritage assets (continued)		
	Opening balance	Total
Other (specify class)	14 000	14 000
5. Other financial assets		
At amortised cost		
ABSA fixed deposit	249 802	236 869
An amount of R107 700 of the investment is ceded to ESKOM, saving as an electricity deposit at the Civic Centre		
Non-current assets		
At amortised cost	249 802	236 869
6. Inventories		
Maintenance Materials - at Cost	4 888 881	2 303 184
Water at Cost	39 046	39 046
Unsold Properties Held for Resale	11 005 300	11 005 300
	15 933 227	13 347 530
The balance for unsold properties held for resale was restated with the amount of R 7 85 100. This was due to the incorrect amount used in the valuation roll.		
7. Receivables from exchange transactions		
Other receivables 1	89 919	89 919
Bakwena Systems- Photo Copiers	2 745 487	1 597 137
	2 835 406	1 687 056
8. Receivables from non-exchange transactions		
Fines	178 657	852 393
Other receivables from non-exchange revenue	11 532 891	11 671 428
	11 711 548	12 523 821
Traffic fines		
8.1 Traffic fines debtors		
Gross balances	1 859 073	531 993
Debt impairment	(1 680 416)	-
Hand Issued Fines	-	320 400
	178 657	852 393

The opening balance for traffic fines has been restated due to hand issued fines not accounted for in 2013/2014.

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Figures in Rand	2015	2014
9. Consumer debtors		
Gross balances		
Rates	193 834 251	198 723 854
Water	180 080 431	118 162 760
Sanitation	8 851 524	7 668 960
Refuse	29 851 727	21 807 232
Water consumption from last reading until 30 June 2014/2015	7 963 626	6 325 379
	420 581 559	352 688 185
Less: Allowance for impairment		
Rates	(81 434 589)	(33 690 521)
Water	(96 911 851)	(83 828 520)
Sanitation	(2 293 358)	(2 918 547)
Refuse	(11 802 432)	(12 893 755)
	(192 442 230)	(133 331 343)
Net balance		
Rates	112 399 662	165 033 333
Water	83 168 580	34 334 240
Sanitation	6 558 166	4 750 413
Refuse	18 049 295	8 913 477
Water consumption from last reading until 30 June 2014/2015	7 963 626	6 325 379
	228 139 329	219 356 842
Rates		
Current (0 -30 days)	104 916 910	8 181 240
31 - 60 days	2 608 673	3 667 617
61 - 90 days	2 025 220	3 155 611
91 - 120 days	1 945 044	3 061 658
121 - 365 days	82 338 404	171 573 942
Less provision	(81 434 589)	(24 606 735)
	112 399 662	165 033 333
Water		
Current (0 -30 days)	12 319 601	17 993 481
31 - 60 days	7 383 275	7 119 524
61 - 90 days	7 622 074	5 905 241
91 - 120 days	6 619 569	5 691 590
121 - 365 days	146 135 912	90 536 709
Less provision	(96 911 851)	(92 912 305)
	83 168 580	34 334 240
Sewerage		
Current (0 -30 days)	310 147	372 345
31 - 60 days	159 612	332 887
61 - 90 days	200 195	256 645
91 - 120 days	179 099	357 334
121 - 365 days	8 002 471	6 349 749
Less provision	(2 293 358)	(2 918 547)
	6 558 166	4 750 413

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Notes to the Financial Statements

Figures in Rand	2015	2014
9. Consumer debtors (continued)		
Refuse		
Current (0 -30 days)	781 617	687 672
31 - 60 days	758 955	677 368
61 - 90 days	758 300	665 438
91 - 120 days	750 768	1 002 871
121 - 365 days	26 802 087	18 773 884
Less provision	(11 802 432)	(12 893 756)
	18 049 295	8 913 477
Water consumption from last readings		
Current (0 -30 days)	7 963 626	6 325 379

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Notes to the Financial Statements

Figures in Rand	2015	2014
9. Consumer debtors (continued)		
Summary of debtors by customer classification		
Consumers		
Current (0 -30 days)	9 270 063	23 774 375
31 - 60 days	6 992 083	6 117 376
61 - 90 days	7 580 022	5 494 190
91 - 120 days	6 819 445	5 251 980
121 - 365 days	166 199 958	101 348 734
	196 861 571	141 986 655
Less: Allowance for impairment	(192 442 230)	(133 331 343)
	4 419 341	8 655 312
Industrial/ commercial		
Current (0 -30 days)	6 369 253	8 650 662
31 - 60 days	2 712 919	2 997 599
61 - 90 days	2 384 456	1 761 243
91 - 120 days	2 004 691	1 791 315
121 - 365 days	80 601 523	65 335 917
	94 072 842	80 536 736
National and provincial government		
Current (0 -30 days)	102 506 127	3 728 122
31 - 60 days	1 206 276	2 346 489
61 - 90 days	642 207	2 329 117
91 - 120 days	672 176	2 135 000
121 - 365 days	16 656 733	110 542 283
	121 683 519	121 081 011
Total		
Current (0 -30 days)	118 145 443	42 478 539
31 - 60 days	10 911 278	11 461 464
61 - 90 days	10 606 684	9 584 550
91 - 120 days	9 496 312	9 178 295
121 - 365 days	263 458 214	273 659 958
Water consumption from lasting readings until 30 June 2014/2015	7 963 627	6 325 379
	420 581 558	352 688 185
Less: Allowance for impairment	(192 442 230)	(133 331 343)
	228 139 328	219 356 842
Less: Allowance for impairment		
121 - 365 days	(192 442 230)	(133 331 343)
Reconciliation of allowance for impairment		
Balance at beginning of the year	(133 331 343)	(64 635 642)
Contributions to allowance	(59 110 887)	(69 154 355)
Debt impairment written off against allowance	-	458 654
	(192 442 230)	(133 331 343)

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Figures in Rand	2015	2014
10. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	20 000	20 000
Bank balances	11 346 756	18 420 445
Call investment deposits	74 116 707	147 448 761
	85 483 463	165 889 206

Securities held at ABSA.

The Municipality have a special notarial bond dated 10/12/2012 on the movable equipment. There is also unlimited cession dated 23/11/2001 of income streams . First CCMB dated 27/06/2007 for R1520 000 over stand 739 Mogwase Unit 2.

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2015	30 June 2014	30 June 2013	30 June 2015	30 June 2014	30 June 2013
ABSA Rustenburg Branch- Account Number 405 041 4471	11 380 943	11 902 659	1 818 850	10 592 629	17 430 483	1 960 880
Capital Replacement Reserve- Account number 92 9306 8882	27 450 737	18 105 823	-	27 450 737	18 105 823	-
Housing account - Account Type - 405 921 9109	338 701	782 441	440 841	338 701	782 441	440 840
Traffic account - Account Number - 407 011 8019	415 426	208 317	189 619	415 426	208 317	174 315
Petty Cash	-	-	-	20 000	20 000	2 310
MKLM call account - Account Type - 90 5777 9477	12 454 016	75 719 605	41 568 607	12 454 016	75 719 605	41 568 609
Housing Subsidy account - Account number - 40 6782 2645	-	9 021	8 700	9 404	9 021	8 700
MIG call account - 40 6677 8588	28 816 714	48 975 669	116 397 196	28 816 714	48 975 669	116 397 196
Civic Centre call account - Account number - 40 6723 1195	70 649	4 451 806	13 070 317	70 649	4 451 806	13 070 317
Water and Sanitation call account- Account number - 40 7270 1220	194 725	186 841	180 841	194 725	186 841	180 185
Ledig Reservoir - Water Projects Account Number- 40 8525 7086	5 120 462	-	-	5 120 462	-	-
Total	86 242 373	160 342 182	173 674 971	85 483 463	165 890 006	173 803 352

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Notes to the Financial Statements

Figures in Rand	2015	2014
11. Finance lease obligation		
Minimum lease payments due		
- within one year	4 985 220	4 780 254
- in second to fifth year inclusive	3 738 914	8 724 135
	8 724 134	13 504 389
less: future finance charges	(1 035 225)	(1 981 056)
Present value of minimum lease payments	7 688 909	11 523 333
Present value of minimum lease payments due		
- within one year	4 161 038	3 834 424
- in second to fifth year inclusive	3 527 871	7 688 909
	7 688 909	11 523 333
Non-current liabilities	3 527 871	7 688 909
Current liabilities	4 161 038	3 834 424
	7 688 909	11 523 333
Lease capitalisation		
Opening balance	11 523 333	-
Redeemed (written-off during the year)	(3 834 424)	(920 953)
	7 688 909	(920 953)

The average lease term is 3 years and the average effective borrowing rate was -% (2014: 8%).

Interest rates are fixed at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

The municipality's obligations under finance leases are secured by the lessor's charge over the leased assets. Refer note 11.

12. Unspent conditional grants and receipts

Conditional Grants from other spheres of Government

Unspent conditional grants and receipts

MIG grants	2 074 386	23 259 161
Mogwase Library Grant	127 621	258 300
Mogwase Library	58 385	58 385
EDMS	226 694	-
Disaster Grant	100 000	-
Total contribution grants and receipts	2 587 086	23 575 846

Movement during the year

Balance at the beginning of the year	23 575 846	78 871 045
Additions during the year	(20 988 760)	(55 295 199)
	2 587 086	23 575 846

The nature and extent of government grants recognised in the financial statements and an indication of other forms of government assistance from which the municipality has directly benefited; and

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

See note for reconciliation of grants from National/Provincial Government.

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Notes to the Financial Statements

Figures in Rand	2015	2014
12. Unspent conditional grants and receipts (continued)		
These amounts are invested in a ring-fenced investment until utilised.		
13. Other financial liabilities		
At amortised cost		
ABSA annuity loan	14 790 515	16 733 329
INCA annuity loan	24 696 112	27 595 826
DBSA annuity loan	33 018 491	35 483 399
	72 505 118	79 812 554
Total other financial liabilities	72 505 118	79 812 554
Non-current liabilities		
At amortised cost	64 391 674	72 561 294
Current liabilities		
At amortised cost	8 113 444	7 251 260

Finance Lease Liabilities relates to Vehicles and IT Equipment with lease terms of 5 (2012: 5) years. The effective interest rate on Finance Leases is 8.25%. Capitalised Lease Liabilities are secured over the terms of vehicles and equipment is leased.

Other Loans are repaid over a period of 10 to 20 years at interest rates varying from 8.80% to 14% per annum.

The management of the municipality is of the opinion that the carrying value of the Long-term Liabilities recorded at amortised cost in the Annual Financial Statements approximate their fair values.

Refer to Appendix 'A' for more detail on Long-term Liabilities.

14. Provisions

Reconciliation of provisions - 2015

	Opening Balance	Additions	Total
Landfill site short term portion and leave provisions	33 016 790	1 781 402	34 798 192

Reconciliation of provisions - 2014

	Opening Balance	Additions	Total
Landfill site short term portion and leave provisions	28 741 592	4 275 198	33 016 790
Non-current liabilities		15 963 099	15 874 545
Current liabilities		18 835 093	17 142 245
		34 798 192	33 016 790

The provision for long accumulated leave of employees of the council is based on the actual leave days available at the reporting date calculated on the annual package of each employee.

The provision for long service award is determined according to the stipulations of the SALGBC.

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Notes to the Financial Statements

Figures in Rand	2015	2014
15. Payables from exchange transactions		
Trade payables	23 052 126	37 061 888
Payments received in advanced Retention	12 242 105	13 729 075
Housing	20 879 944	14 929 661
Housing-PHP	-	2 103 353
Other payables suspense	342 439	787 017
	1 194 395	4 324 767
	57 711 009	72 935 761
16. Revenue		
Service charges	127 753 041	103 170 616
Commissions received	105 115	314 832
Rental income	5 287	5 485
Sale of stands / land	-	39 291
Other income - (rollup)	1 137 420	949 091
Interest received - investment	33 161 846	28 979 909
Property rates	65 624 393	54 104 609
Government grants & subsidies	431 618 736	411 561 046
Fines	1 204 300	2 940 600
	660 610 138	602 065 479
The amount included in revenue arising from exchanges of goods or services are as follows:		
Service charges	127 753 041	103 170 616
Commissions received	105 115	314 832
Rental income	5 287	5 485
Sale of stands / land	-	39 291
Other income - (rollup)	1 137 420	949 091
Interest received - investment	33 161 846	28 979 909
	162 162 709	133 459 224
The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Property rates	65 624 393	54 104 609
Transfer revenue		
Government grants & subsidies	431 618 736	411 561 046
Fines	1 204 300	2 940 600
	498 447 429	468 606 255

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Notes to the Financial Statements

Figures in Rand	2015	2014
17. Property rates		
Rates received		
Residential	790 072	465 771
Commercial	5 653 630	5 078 888
State	33 399 563	24 209 269
Assessment rates: Game reserves and Holiday resorts	24 097 680	22 792 497
Assessment rates: Mining	1 683 448	1 558 184
Total property rates	65 624 393	54 104 609

Valuations

Residential	928 262 500	928 732 500
Commercial	1 035 309 800	251 673 100
Industrial	27 936 200	27 936 200
State	788 676 907	138 352 700
Churches	11 442 000	11 442 000
Other Holiday Resorts	178 590 000	178 590 000
Sun City	535 850 000	535 850 000
Municipal	35 157 700	95 603 600
Farms and tribal land	1 513 062 100	1 584 258 800
Eskom Servitudes	16 170 000	-
PSI	12 992 100	-
	5 083 449 307	3 752 438 900

18. Service charges

Sale of water	102 965 172	94 941 484
Sewerage and sanitation charges	2 854 720	2 757 279
Refuse removal	21 933 150	5 471 853
	127 753 042	103 170 616

19. Government grants and subsidies

Operating grants

Equitable share	275 714 000	248 276 650
Finance Management Grant	1 600 000	1 550 000
Expanded Public Works Programme Grant	1 845 000	2 386 000
DWA Operating and Maintenance Grant	15 199 975	11 792 847
Municipal Systems Improvement Grant	934 000	890 000
Mogwase Library	530 679	880 641
Disaster Management	-	212 493
EEDMS	3 773 306	-
	299 596 960	265 988 631

Capital grants

Government grant (capital)	128 836 977	144 275 841
Project Management Unit	3 184 798	1 296 574
	132 021 775	145 572 415
	431 618 735	411 561 046

Conditional and Unconditional

Included in above are the following grants and subsidies received:

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Financial Statements for the year ended 30 June 2015

Notes to the Financial Statements

Figures in Rand	2015	2014
19. Government grants and subsidies (continued)		
Conditional grants received	155 904 735	163 284 396
Unconditional grants received	275 714 000	248 276 650
	431 618 735	411 561 046

MIG Grant

Balance unspent at beginning of year	23 259 161	76 131 575
Current-year receipts	110 837 000	92 700 000
Conditions met - transferred to revenue	(132 021 775)	(145 572 414)
	2 074 386	23 259 161

Conditions still to be met - remain liabilities (see note 12).

Provide explanations of conditions still to be met and other relevant information.

Expanded Public Works Grant

Current-year receipts	1 845 000	2 386 000
Conditions met - transferred to revenue	(1 845 000)	(2 386 000)
	-	-

Conditions still to be met - remain liabilities (see note 12).

Provide explanations of conditions still to be met and other relevant information.

Mogwase Library Grant

Balance unspent at beginning of year	258 300	302 081
Current-year receipts	400 000	400 000
Conditions met - transferred to revenue	(530 679)	(443 781)
	127 621	258 300

Conditions still to be met - remain liabilities (see note 12).

Provide explanations of conditions still to be met and other relevant information.

Mogwase Libraries Grant

Balance unspent at beginning of year	58 385	495 246
Conditions met - transferred to revenue	-	(436 861)
	58 385	58 385

Conditions still to be met - remain liabilities (see note 12).

Provide explanations of conditions still to be met and other relevant information.

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Financial Statements for the year ended 30 June 2015

Notes to the Financial Statements

Figures in Rand	2015	2014
19. Government grants and subsidies (continued)		
Municipal System improvement Grant		
Current-year receipts	(934 000)	(890 000)
Conditions met - transferred to revenue	934 000	890 000
	-	-

Conditions still to be met - remain liabilities (see note 12).

Provide explanations of conditions still to be met and other relevant information.

Finance Management Grant

Current-year receipts	(1 600 000)	(1 550 000)
Conditions met - transferred to revenue	1 600 000	1 550 000
	-	-

Conditions still to be met - remain liabilities (see note 12).

Provide explanations of conditions still to be met and other relevant information.

DWA Operating Grant

Current-year receipts	(7 500 000)	(5 300 000)
Conditions met - transferred to revenue	7 500 000	5 300 000
	-	-

Conditions still to be met - remain liabilities (see note 12).

Provide explanations of conditions still to be met and other relevant information.

EEDMS

Balance unspent at beginning of year	-	1 729 650
Current-year receipts	4 000 000	-
Conditions met - transferred to revenue	(3 773 306)	(1 729 650)
	226 694	-

Conditions still to be met - remain liabilities (see note 12).

Provide explanations of conditions still to be met and other relevant information.

Disaster Management grant

Balance unspent at beginning of year	-	212 493
Current-year receipts	100 000	-
Conditions met - transferred to revenue	-	(212 493)
	100 000	-

Conditions still to be met - remain liabilities (see note 12).

Provide explanations of conditions still to be met and other relevant information.

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Notes to the Financial Statements

Figures in Rand	2015	2014
19. Government grants and subsidies (continued)		
Water conservation/Demand management		
Current-year receipts	(7 699 975)	(6 492 847)
Conditions met - transferred to revenue	7 699 975	6 492 847
	-	-

Conditions still to be met - remain liabilities (see note 12).

Provide explanations of conditions still to be met and other relevant information.

20. Other income

Advertising signs /Displays	17 717	64 934
Building inspection plan fees	82 727	181 969
Burial fees	21 497	17 179
Clearance certificate	8 875	7 251
Water connection fees	43 492	50 736
Sundry income	367 005	56 444
Tender document sales	418 571	340 000
Refund LGSETA	169 321	186 677
Surplus on inventory	-	41 845
Photo copies	5 000	264
Blocked drains	2 315	1 405
Valuation Certificates	901	387
	1 137 421	949 091

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Financial Statements for the year ended 30 June 2015

Notes to the Financial Statements

Figures in Rand	2015	2014
21. General expenses		
Accounting fees	3 023 957	2 445 503
Advertising	1 005 802	981 990
Bank charges	117 005	99 014
Consulting and professional fees	14 627 471	7 364 943
Consumables	112 087	240 686
Entertainment	2 098 152	281 470
Ammunition	11 430	-
Insurance General	400 032	225 975
Community development and training	143 434	189 414
Conferences and seminars	1 700 781	1 319 086
Gender and children programme	326 027	407 488
Fleet	7 313 002	7 953 106
Marketing	76 175	-
Magazines, books and periodicals	4 198	17 902
Medical expenses	500	89 857
IDP Review	2 402 822	1 490 492
Indigent-Free basic services	32 764 291	1 777 906
Postage and courier	108 090	93 611
Printing and stationery	1 616 524	2 307 960
Labour Relations	339 255	168 460
Protective clothing	157 518	572 430
HIV/AIDS Campaign	231 961	394 033
Letsema	53 440	147 824
Software expenses	27 640 898	5 573 805
Subscriptions and membership fees	1 571 186	1 404 133
Telephone and fax	8 579 637	5 484 696
Training	15 202 429	2 462 154
Travel - local	2 178 801	1 950 360
Electricity	9 026 104	8 850 484
Grants Expenditure	4 501 706	5 879 658
Refreshments	2 262 769	2 441 623
Compilation of Valuation Roll	72 221	141 593
Quality Control	568 566	162 022
GRAP conversion	718 090	66 953
Physically challenged people(Disable)	26 505	157 030
Chemicals	276 717	220 095
Disaster Support	198 249	98 225
Other expenses	15 016 224	10 050 046
	156 474 056	73 512 027

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Notes to the Financial Statements

Figures in Rand	2015	2014
22. Employee related costs		
Basic	90 712 682	80 988 489
Bonus	5 754 587	5 443 067
Medical aid - company contributions	6 183 583	5 312 664
UIF	682 419	614 767
Travel, motor car, accommodation, subsistence and other allowances	857 948	1 068 211
Overtime payments	6 247 712	4 876 675
Housing benefits and allowances	177 672	173 440
Housing Allowance	58 862	61 422
Pension Fund- Company Contributions	16 339 552	14 689 063
Industrial Council Levy	59 793	37 035
Standby Allowance	2 383 511	2 287 655
Cellphone allowance	6 000	6 000
Shift Allowance	109 869	102 118
	129 574 190	115 660 606

Remuneration of municipal manager

Annual Remuneration	1 027 921	952 762
Car Allowance	167 948	167 947
Contributions to UIF, Medical and Pension Funds	21 814	20 476
Paid Out	(1 217 683)	(1 141 185)

Remuneration of chief finance officer

Annual Remuneration	909 774	798 229
Car Allowance	-	64 263
Contributions to UIF, Medical and Pension Funds	192 044	169 270
Paid Out	(1 101 818)	(1 031 762)

Remuneration of technical service executive directors

Annual Remuneration	485 577	440 557
Car Allowance	96 000	52 000
Contributions to UIF, Medical and Pension Funds	1 088	98 163
Paid Out	(582 665)	(590 720)

Remuneration of corporate services executive directors

Annual Remuneration	744 346	711 183
Car Allowance	60 000	60 000
Contributions to UIF, Medical and Pension Funds	173 937	144 897
Paid Out	(978 283)	(916 080)

Remuneration of community services executive directors

Annual Remuneration	976 417	657 271
Contributions to UIF, Medical and Pension Funds	1 866	1 383
Paid Out	(978 283)	(658 654)

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Notes to the Financial Statements

Figures in Rand	2015	2014
22. Employee related costs (continued)		
Remuneration of planning and development executive director		
Annual Remuneration	766 455	713 746
Car Allowance	72 000	72 000
Contributions to UIF, Medical and Pension Funds	139 828	130 335
Paid Out	(978 283)	(916 081)
	-	-
23. Remuneration of councillors		
Allowance Mayor	456 541	428 876
Allowance-Single Whip	338 650	317 901
Executive Committee Member's allowance	3 394 810	3 233 555
Allowance-Speaker	377 254	355 122
Pension fund contribution	1 587 861	1 523 663
Medical Aid contribution	477 975	477 818
Travelling allowance	4 409 356	4 173 453
Councillor's allowance	6 628 205	6 179 797
Cell phone allowance	1 483 267	1 488 697
	19 153 919	18 178 882
24. Remuneration of councillors		
The salaries, allowances and benefits of political office bearers and councillors of the Municipality, whether financial or in kind are within the upper limits of the framework as envisage in section 219 of the Constitution.		
24. Provisions		
Contributions to leave provision	5 773 287	6 039 170
Provision for land fill site	88 555	1 097 003
Provision for traffic fines	1 680 416	2 400 000
	7 542 258	9 536 173
25. Debt impairment		
Debt impairment	59 110 887	65 865 525
26. Interest received		
Interest revenue		
Investments	9 761 336	10 837 612
Bank	529 908	380 590
Interest charged on trade and other receivables	22 870 603	17 761 707
	33 161 847	28 979 909
27. Depreciation and amortisation		
Property, plant and equipment	67 341 989	64 814 883
28. Finance costs		
Non-current borrowings	9 315 631	8 586 287

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Notes to the Financial Statements

Figures in Rand	2015	2014
29. Operating lease		
The below operating lease payments represent rentals payable by the municipality to BIS for printing machines. Leases are negotiated for an average term of three years and rentals are fixed for an average of three years. No contingent rent is payable		
Not later than one year	-	743 980
30. Contracted services		
Refuse removal	24 292 831	27 756 081
31. Bulk purchases		
Water	55 524 546	41 849 414
32. Cash generated from operations		
Surplus	79 276 011	142 330 630
Adjustments for:		
Depreciation and amortisation	67 341 989	64 814 883
Gain on sale of assets and liabilities	4 074 170	-
Debt impairment	59 110 887	65 865 525
Movements in provisions	1 781 402	4 275 198
Changes in working capital:		
Inventories	(2 585 697)	(68 373)
Receivables from exchange transactions	(1 148 350)	(732 541)
Consumer debtors	(67 893 374)	(86 129 837)
Other receivables from non-exchange transactions	812 273	(4 827 383)
Payables from exchange transactions	(15 224 751)	15 728 760
VAT	(6 610 657)	(12 145 755)
Unspent conditional grants and receipts	(20 988 760)	(55 295 199)
	97 945 143	133 815 908

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Notes to the Financial Statements

Figures in Rand	2015	2014
33. Commitments		
Authorised capital expenditure		
Approved and contracted for		
• Infrastructure	37 662 859	78 000 626
• Community assets	585 856	6 403 554
• Other	-	-
	38 248 715	84 404 180
Approved and not yet contracted for		
• Infrastructure	83 856 108	63 049 296
• Community assets	11 440 836	15 374 836
• Other	18 786 000	43 978 588
	114 082 944	122 402 720
Total capital commitments		
Already contracted for but not provided for	38 248 715	84 404 180
Not yet contracted for and authorised by accounting officer	114 082 944	122 402 720
	152 331 659	206 806 900

This committed expenditure relates to property and will be financed by available bank facilities, retained surpluses, rights issue of shares, issue of debentures, mortgage facilities, existing cash resources, funds internally generated, etc.

34. Contingencies

1. Fencecor Construction

Fencecor Construction was a sub-contractor for construction of the new Mogwase Waste Disposal Site. Fencecor is suing the Municipality for the payment of **R 2 842 111.00** which flows from a cession/direct payment agreement between the main contractor, Fencecor and the Municipality.

The Municipality is defending the matter since maximum amount of cession has already been paid and exceeded. The case is currently in Court and we are awaiting finalisation and verdict.

Case handled by Van Rooyen, Thlape, Wessels Attorneys in Mafikeng.

2. R&T Developers / Alert Steel

R&T Developers is a sub-contractor for construction of low cost housing in Unit 8 Mogwase. R&T is suing the Municipality for of **R3 753 079** flowing from a cession/direct payment agreement between the main contractor, R&T and the Municipality.

The Municipality defended the matter based on the main contractor's contention that R&T is misrepresenting the true fact of the matter and relying on a wrong cession document. A meeting between the contractor and sub-contractor was held where the documents were exchanged. The correct document indicates that the Municipality is not indebted to R&T Developers. The Municipality have filed its plea in this matter and is awaiting R&T Developers to move.

3. Transnet

Transnet is being sued for **R5 510 000** for damages and compensation for pain and suffering by a motorist whose car was hit by a train at the railway crossing in Mogwase. Transnet has filed an application at the Court to join the Municipality as a respondent to share in the financial liabilities if Transnet should be found to be liable.

The Municipality is defending the matter since all required responsibilities and requirements had been taken care of and set in place at the railway crossing in Mogwase. An investigation by an independent investigator found that the vehicle of the motorist was properly maintained and that brake failure caused the accident (See memo of Adv. Jacobsz). The Municipality is awaiting the trial date in this matter.

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Notes to the Financial Statements

Figures in Rand

34. Contingencies (continued)

The case is handled by Sakkie Smith Attorneys in Mogwase.

4. Duro Pressings

Duro Pressings was a supplier of aluminium window frames for the Civic Centre Phase II project. There was a direct payment agreement between the contractor, Promptique Ramatjobe JV, and the supplier which they claim has an outstanding balance due to them of **R 549 000.00**. The Municipality have filed its pleas and we are waiting for R&T Developers to move.

Case handled by Sakkie Smith Attorneys in Mogwase

5. NWDC

The Municipality is in dispute with NWDC regarding payment of property rates. NWDC owes the Municipality in excess of the R 15 Million from July 2002. In return NWDC claims compensation from the Municipality for infrastructure installed in Bodirelo in the 1980's to the amount of **R 18 Million** as well as arrear rental amounts for office accommodation in Bodirelo. The matter was referred to Provincial and National Treasury for mediation and possible arbitration.

The Municipality have reached an agreement with NWDC whereby mutual payment by the parties for their respective dues will start on the 1 October 2014. The parties are currently paying their respective dues.

The arrear amounts due still needs to be resolved and the parties will consider all options, including high level political intervention and arbitration

6. Mogwase Hardware

Mogwase Hardware has submitted a claim for **R 16 000.00**. The hardware store indicated that materials and goods were supplied but no payment had been received. No finer detail of order numbers or responsible municipal officials could be obtained.

They have not instituted any legal action against the Municipality yet and the matter remains unresolved.

7. TN Molefe

TN Molefe is the consulting engineers on the Motlhabe internal roads project. The Municipality received fraudulent instruction to change the banking details of the service provider and an amount of the **R 1 377 019.53** was paid over. After the fraud had been discovered the Municipality opened a case of fraud at the Mogwase SAPS.

The matter is still being investigated and a full report was presented to Council. Please see council resolution attached.

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Notes to the Financial Statements

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34. Contingencies (continued)

8. M2KS Management Consultants

Mr. Erick Matlawe of the M2KS Management Consultants is claiming **R 200 000.00** from the municipality for work done in 2009. The company developed a HR strategy for the Municipality but only submitted their invoice for payment on 24 October 2012.

The Municipality raised prescription due to the very late submission of the claim and Mr. Matlawe referred the matter to the Public Protector for an alternative dispute resolution (ADR).

The Municipality attended the ADR session at the Public Protector and a settlement will be negotiated after all relevant investigations are completed by the Public Protector.

Contingent assets

The municipality is claiming an amount of **R214 929** from Ranamane Phungo which was erroneously paid by the municipality instead of paying to the account of Mr Phungo who was no longer practicing as Ranamane Phungo.

NWDC- The municipality is indebted **R15 000 000** in arrear property rates (2002-2014).

The municipality is pursuing a claim against Standard Bank for an amount of **R 1 377 019.53** for negligence with regards to a payment to TN Molefe

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Notes to the Financial Statements

Figures in Rand

35. Prior period errors

An analysis of the revenue, expenditure, assets and liabilities pertinent to the prior year revealed the accounting errors listed below.

STATEMENT OF FINANCIAL POSITION

Accumulated Surplus.

The municipality had corrected the fundamental error in the 2013/14 financial year which is no longer applicable in terms of the GRAP standard. The correction was meant to present the fairness of the accumulated surplus, the effect of the transaction has been presented below.

Cash and cash equivalent.

The municipality has corrected the prior year receipts not accounted for in the 2013/14 financial year.

Finance lease.

The adjustment was done to account for the discount of 20% omitted in the prior year.

Debit: Finance Lease Obligation R3 111 000

Credit: Movable Assets R3 111 000.

Other Receivables from non exchange transactions.

The adjustment relates to incorrect tariff charged with regards to photocopier machines.

Property, Plant, and equipment.

There were classification on the movable assets from movable to immovable e.i boreholes etc. The other adjustment was done to account for the discount on the finance lease assets.

The difference in the opening balance is due to:

1. The reclassification of assets between Land and Building and Community Assets amounts R12 696 014 under Buildings and R13 341 286 under Community Assets.
2. The adjustment between classes in Infrastructure to the amount of R29 541 206.

Trade and other payables.

Adjustment on the prior year were done to account for the trade payables not accounted for during year end.

Trade and other receivables from exchange transactions.

The error of over payment on photocopier machines maintenance contract was discovered in the current year which relates to the prior year adjustment.

VAT Payables/Receivables.

This refers to the reversal of the VAT not properly accounted for.

Consumer debtors.

The correction was done on the rates account which were not properly accounted for.

STATEMENT OF COMPREHENSIVE INCOME.

Depreciation.

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35. Prior period errors (continued)

The additional depreciation was made due to reclassification , as well as the disposal of assets.

General expenses.

Payment of creditors not accounted for at year end.

Revenue service charges.

This related to the reversal of the accounting entry for the last water readings on the pipe lines at year end.

Revenue property rate.

The correction was done on the rates accounts which were not properly accounted for.

Revenue fines.

The adjustment was made to include the hand written fines not accounted for in the prior year .

Revenue interest received.

This relates to the billing of the property rates that were not properly accounted for .

Repairs and maintenance.

This relates to the repairs and maintenance not properly accounted for.

Debt impairment.

This relates to the provision for Ledig water .

Unauthorised expenditure

The adjustment on the unauthorized expenditure for 2013/2014 was adjusted due to the re-instatement of balances in the prior year to the amount - R 2 108 596.

Fruitless and Wasteful expenditure

The re-instatement of the fruitless and wasteful expenditure was due to the inclusion of VAT that was claimed back from SARS.

Irregular expenditure

The re-instatement of the irregular expenditure was disclosed with the inclusion of VAT that was claimed back from SARS.

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35. Prior period errors (continued)

Statement of financial position	2014	Prior Year
Inventories (Balance Sheet) Credit		(785 100)
Accumulated Surplus (Balance Sheet) Debit	-	785 100
Decrease values of land held for resale		
Inventories (Balance Sheet) Debit	6 833	-
Accumulated Surplus (Water Sales) Credit	(6 833)	-
Increase in water levels in pipes and reservoirs		
Consumer Debtors (Balance Sheet) Debit	11 919 475	97 450 745
Accumulated Surplus (Property Rates) Credit	(11 919 475)	(97 450 745)
Increase in consumer debtors due to additional billing for property rates on Public Works properties		
Provisions (Balance Sheet) Credit	(5 794 955)	(3 288 830)
Accumulated Surplus (Impairment Debtors) Debit	5 794 955	3 288 830
Provision on impairment on Ledig water accounts		
Creditors Control (Balance Sheet) Debit	126 774	-
Accumulated Surplus (Statement of Financial Performance) Credit	(126 774)	-
Reversal of payments made under accruals not provided for		
Other Debtors (Balance Sheet) Debit	1 004 478	(592 659)
Accumulated Surplus (Statement of Financial Performance) Credit	(1 004 478)	592 659
Over payment on tariff for maintenance of photo copiers, Debtors arranged to refund the municipality		
Cash and Cash Equivalents (Balance Sheet) Debit	418 750	5 235 869
Accumulated Surplus (Balance Sheet) Credit	(418 750)	(5 235 869)
Amounts received for Vat for 2013/2014 and other debtors		
Outstanding Traffic Fines Debtors (Balance Sheet) Debit	320 400	-
Accumulated Surplus (Traffic Fines) Credit	(320 400)	-
Handwritten traffic fines not accounted for in 2013/2014		
Traffic Fines System Debtors (Balance Sheet) Debit	171 315	-
Accumulated Surplus (Traffic Fines) Credit	(171 315)	-
Adjustment on traffic fines account		
Other Creditors (Balance Sheet) Debit	471 971	-
Accumulated Surplus (Telephone Accounts) Credit	(471 971)	-
Cellphone accounts recover from councillors for 2013/2014, Deducted from councillors salaries		
Interest Outstanding Debtors (Statement of Financial Performance) Debit	191 514	1 388 814
Accumulated Surplus (Interest) Credit	(191 514)	(1 388 814)
Interest on outstanding debtors Public Works		
VAT (Balance Sheet) Debit	15 393 075	-
Accumulated Surplus (Balance Sheet) Credit	(15 393 075)	-
Reversal of journal 183 Audit dated 4/09/2014		
Finance Lease (Balance Sheet) Credit	(49 398)	-
Accumulated Surplus (Balance Sheet) Debit	49 398	-
Adjustments on finance lease regarding discount not brought into account during 2013/2014		

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35. Prior period errors (continued)

Capital Replacement Reserve (Balance Sheet) Debit	798 664	-
Accumulated Surplus (Balance Sheet) Credit	(798.664)	-
Transfer of transactions on CRR to Accumulated Surplus Account		
Depreciation (Balance Sheet) Credit	(2 639 652)	-
Accumulated Surplus (Property Plant and Equipment) Debit	2 639 652	-
Adjustment on depreciation on infrastructure assets for 2013/2014		
Creditors (Balance Sheet) Credit	(1 879 017)	(8 152)
Accumulated Surplus (Property Plant and Equipment) Debit	1 879 017	8 152
Payment to creditors not provided under accruals. Invoices received 2014/2015		
Creditors Control (Balance Sheet) Credit	(3 100 000)	-
Accumulated Surplus (Other Debtors) Debit	3 100 000	-
Claim against the municipality, Refuse removal contract		
Community Assets (Balance Sheet) Debit	201 000	-
Accumulated Surplus (Property Plant and Equipment)	(201 000)	-
Increase of values of Community Assets for 2013/2014		
Property Plant and Equipment (Balance Sheet) Debit	279 546	-
Accumulated Surplus (Property Plant and Equipment) Credit	(279 546)	-
Property Plant and Equipment capitalised from income		
Other Debtors (Balance Sheet)Credit	(16 927)	(8 694)
Accumulated Surplus (Other Debtors) Debit	16 927	8 694
Adjustment on Other Debtors transferred to Accumulated Surplus		
	(28 761 859)	(103 214 185)

36. Risk management

Financial Risk Management Objectives

The Accounting Officer has overall responsibility for the establishment and oversight of the municipality's risk management framework. The municipality's risk management policies are established to identify and analyse the risks faced by the municipality, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

The municipality's Finance department provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operation of the municipality through internal risk reports which analyse exposure by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Due to the largely non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of the financial risk faced by business entities. Financial Instruments play a much more limited role in creating or changing risks that would be typical of listed companies to which the IAS's mainly apply. Generally, Financial Assets and Liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the municipality in undertaking its activities.

The Department of Finance monitors and manages the financial risks relating to the operations through internal policies and procedures. These risks include interest rate risk, credit risk and liquidity risk. Risk management policies and systems are reviewed regularly to reflect changes to market conditions and the municipality's activities, and compliance with policies and procedures is reviewed by the internal auditors on a continuous basis, and annually by external auditors. The municipality does not enter into or trade financial instruments for speculative purposes.

Internal audit, responsible for initiating a control framework and monitoring and responding to potential risk, reports periodically to the municipality's audit committee, an independent body that monitors the effectiveness of the internal audit function.

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36. Risk management (continued)

Financial risk management

The municipality's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. It is the policy of the municipality to disclose information that enables the user of its Annual Financial Statements to evaluate the nature and extent of risks arising from Financial Instruments to which the municipality is exposed on the reporting date.

The municipality's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance. Risk management is carried out by a central treasury department (the Budget and Treasury Department) under policies approved by the Council. The department identifies, evaluates and manages financial risks in close co-operation with the municipality's operating units. The Council provides written principles for overall risk management, as well as written policies covering specific areas, such as liquidity risk and the various elements of market risk.

Risks and exposures are defined as follows:

Market Risk

Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Credit risk

Credit Risk is the risk of financial loss to the municipality if a customer or counterparty to a Financial Instrument fails to meet its contractual obligations and arises principally from the municipality's receivables from customers and investment securities; or the risk that a counterparty will default on its contractual obligations resulting in financial loss to the municipality.

Liquidity Risk

Liquidity Risk is the risk that the municipality will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The municipality's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the municipality's reputation.

Liquidity Risk is managed by ensuring that all assets are reinvested at maturity at competitive interest rates in relation to cash flow requirements. Liabilities are managed by ensuring that all contractual payments are met on a timely basis and, if required, additional new arrangements are established at competitive rates to ensure that cash flow requirements are met.

Capital risk management

The municipality's objective when managing capital is to safeguard the Municipality's ability to continue as a going concern in order to provide services for the stakeholders and to maintain optimal capital structure to reduce the cost of capital.

The capital structure of the municipality consists of debt, which includes the borrowings as disclosed in note 13, cash and cash equivalents disclosed in note 10, and equity as disclosed in the statement of financial position.

Consistent with others in the industry, the Municipality monitors capital on the basis of gearing ratio.

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36. Risk management (continued)

The ratio is calculated as net debt divided by the total capital. Net debt is calculated as total borrowings (including current and non current borrowings as shown in the statement of financial position) less cash and cash equivalent . The total capital is calculated as equity 's as shown in the statement of financial position plus net debt.

The municipality's strategy is to maintain a gearing ratio of between 5% to 15% . There are no externally imposed capital requirement.

There have been no changes to what the municipality manages as capital , the strategy for capital maintenance or externally exposed capital requirements for the previous financial year.

The gearing ratio at 2015 and 2014 respectively were as follows:

	2015	2014
Total borrowings		
Current liabilities	91 407 670	124 739 536
Non-Current liabilities	83 882 644	96 124 748
Less cash and cash equivalent	85 483 463	165 889 206
Total equity	1 216 406 935	1 137 130 909
	1 477 180 712	1 523 884 399

Credit and liquidity risk

The municipality's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the municipality's reputation.

Liquidity Risk is managed by ensuring that all assets are reinvested at maturity at competitive interest rates in relation to cash flow requirements. Liabilities are managed by ensuring that all contractual payments are met on a timeous basis and, if required, additional new arrangements are established at competitive rates to ensure that cash flow requirements are met.

Prudent liquidity management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and ability to close out market positions . Due to the dynamic nature of the underlying businesses , municipality treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The municipality's risk to liquidity is as a result of funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

The municipality has a sound credit control and debt collection policy and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The municipality uses its own trading records to assess its major customers. The municipality's exposure of its counterparties are monitored regularly.

Potential concentrations of credit rate risk consist mainly of fixed deposit investments, long-term receivables, other debtors, bank and cash balances.

The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty. Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2015	2014
Consumer debtors	228 139 329	213 031 463
Receivables from exchange transactions	2 835 406	1 687 056
Cash and cash equivalents	85 483 463	165 889 206
Receivables from non-exchange transactions	11 711 548	12 548 692
Other financial assets	249 802	236 869

Investments/Bank, Cash and Cash Equivalents

Moses Kotane Local Municipality

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36. Risk management (continued)

The municipality limits its counterparty exposures from its short-term investments (financial assets that are neither past due nor impaired) by only dealing with well-established financial institutions short term credit rating of BBB and long-term credit rating of AA- and higher at an International accredited credit rating agency. The municipality's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst different types of approved investments and institutions, in accordance with its investment policy. Consequently, the municipality is not exposure to any significant credit risk.

The municipality limits its counterparty exposures from its money market investment operations (financial assets that are neither past due nor impaired) by only dealing with well-established financial institutions of high credit standing. The credit exposure to any single counterparty is managed by setting transaction / exposure limits, which are included in the municipality's Investment Policy. These limits are reviewed annually by the Chief Financial Officer and authorised by the Council.

The municipality limits its counterparty exposures from its money market investment operations (financial assets that are neither past due nor impaired) by only dealing with Absa Bank, First National Bank, Nedbank and Standard Bank. No investments with a tenure exceeding twelve months are made.

Trade and Other Receivables

Trade and Other Receivables are amounts owed by consumers and are presented net of impairment losses. The municipality has a credit risk policy in place and the exposure to credit risk is monitored on an on-going basis. The municipality is compelled in terms of its constitutional mandate to provide all its residents with basic minimum services without recourse to an assessment of creditworthiness. Subsequently, the municipality has no control over the approval of new customers who acquire properties in the designated municipal area and consequently incur debt for rates, water and electricity services rendered to them.

Trade Receivables consist of a large number of customers, spread across diverse industries in the geographical area of the municipality. Periodic credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee is increased accordingly.

Consumer Debtors comprise of a large number of ratepayers, dispersed across different industries and geographical areas within the jurisdiction of the municipality. On-going credit evaluations are performed on the financial condition of these debtors.

Consumer debtors are presented net of a provision for impairment.

In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

The municipality limits this risk exposure in the following ways, in addition to its normal credit control and debt management procedures:

- The application of section 118(3) of the Municipal Systems Act (MSA), which permits the municipality to refuse connection of services whilst any amount remains outstanding from a previous debtor on the same property;
- A new owner is advised, prior to the issue of a revenue clearance certificate, that any debt remaining from the previous owner will be transferred to the new owner, if the previous owner does not settle the outstanding amount;
- Encouraging residents to install water management devices that control water flow to households.

There were no material changes in the exposure to credit risk and its objectives, policies and processes for managing and measuring the risk during the year under review. The municipality's maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statement of Financial Position, without taking into account the value of any collateral obtained. The municipality has no significant concentration of credit risk, with exposure spread over a large number of consumers, and is not concentrated in any particular sector or geographical area.

The municipality establishes an allowance for impairment that represents its estimate of anticipated losses in respect of trade and other receivables.

Market risk

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36. Risk management (continued)

Interest rate risk

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

Financial Assets and Liabilities that are sensitive to interest rate risk are cash and cash equivalents investments, and loan payables. The municipality is not exposed to interest rate risk on these financial instruments as the rates applicable are fixed interest rates.

Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, long-term receivables, consumer debtors, other debtors, bank and cash balances.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with well-established financial institutions of high credit standing. No investment with a tenure exceeding twelve months shall be made.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with Absa Bank, First National Bank, Nedbank and Standard Bank. No investments with tenure exceeding twelve months are made.

Consumer Debtors comprise of a large number of ratepayers, dispersed across different industries and geographical areas.

Consumer debtors are presented net of a provision for impairment.

In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by 'demand for payment', 'restriction of services' and, as a last resort, 'handed over for collection', whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy. Consumer Deposits are increased accordingly.

Long-term Receivables and Other Debtors are individually evaluated annually at Balance Sheet date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The municipality is not exposed to interest rate risk as the municipality borrows funds at fixed interest rates.

Foreign exchange risk

The municipality does not have any direct exposure to foreign exchange risk as it does not engage in transactions or hold any assets or liabilities denominated in any foreign currencies.

Price risk

The municipality does not hold any market-priced securities and is not exposed to price risk as a result.

37. Going concern

We draw attention to the fact that at 30 June 2015, the municipality had accumulated surplus of R 1 216 406 935 and that the municipality's total assets exceed its liabilities by R 1 216 406 935.

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

38. Material losses

Material loss in water distribution	12 080 866	3 701 150
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Financial Statements for the year ended 30 June 2015

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39. Unauthorised expenditure

Opening balance	19 336 929	17 287 070
Add: Unauthorised Expenditure - current year	6 291 848	2 049 859
Less: Amounts condoned before re-instatement	(21 445 525)	-
Less: Amounts adjusted due to re-instatement	2 108 596	-
	6 291 848	19 336 929

The adjustment on the unauthorized expenditure for 2013/2014 was adjusted due to the re-instatement of balances in the prior year.

Unauthorised expenditure for the 2014/2015 relates to the provision of the accumulated leave of officials as at 30 June 2015 as well as for the depreciation on assets for ICT equipment and training.

40. Fruitless and wasteful expenditure

Opening balance	9 703 835	7 077 644
Fruitless and wasteful expenditure	408 848	2 626 191
Less: Amounts recoverable (not condoned)	-	-
	10 112 683	9 703 835

Analysis of expenditure awaiting condonation per age classification

Current year	408 848	7 077 644
Prior years	9 703 835	2 626 191
	10 112 683	9 703 835

The fruitless and wasteful expenditure relates to the interest on Eskom accounts and the money spend on the construction of the hall in area reserved for mining expansion. The Municipality is currently Investigating ways to recover the money. The Municipality has kept the register for fruitless, wasteful and irregular expenditure.

41. Irregular expenditure

Opening balance	222 496 451	179 074 104
Add: Irregular Expenditure - current year	74 376 507	43 422 347
Less: Amounts recoverable (not condoned)	-	-
	296 872 958	222 496 451

Analysis of expenditure awaiting condonation per age classification

Current year	74 376 507	43 422 347
Prior years	222 496 451	179 074 104
	296 872 958	222 496 451

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41. Irregular expenditure (continued)

Details of irregular expenditure – current year

	Disciplinary steps taken/criminal proceedings	
Emergency services- Water tankers	Investigation has been and is awaiting consideration by MPAC and Council	4 881 000
Emergency services- Waste Collection	Investigation has been and is awaiting consideration by MPAC and Council	13 371 429
Eskom tokens- Boreholes	Investigation has been and is awaiting consideration by MPAC and Council	282 368
Risk based appointments	Investigation has been and is awaiting consideration by MPAC and Council	10 708 171
SCM not followed	Investigation has been and is awaiting consideration by MPAC and Council	45 133 539
		74 376 507

42. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Current year subscription / fee	1 772 277	1 398 629
Amount paid - current year	(1 772 277)	(1 398 629)
	-	-

Audit fees

Current year subscription / fee	3 449 620	2 634 291
Amount paid - current year	(3 449 620)	(2 634 291)
	-	-

PAYE and UIF

Current year subscription / fee	21 939 960	19 048 374
Amount paid - current year	(21 939 960)	(19 048 374)
	-	-

Pension and Medical Aid Deductions

Current year subscription / fee	24 262 147	20 001 725
Amount paid - current year	(24 262 147)	(20 001 725)
	-	-

VAT

VAT receivable	9 935 686	3 325 029
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VAT output payables and VAT input receivables are shown in note .

All VAT returns have been submitted by the due date throughout the year.

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42. Additional disclosure in terms of Municipal Finance Management Act (continued)

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2015:

30 June 2015	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Councillor M Nondzaba	391	11 496	11 887
Councillor J Maretele	21	1 107	1 128
Councillor S Motlhaga	2 494	1 868	4 362
Councillor J Setou	360	8 186	8 546
Councillor K Motshegoa	254	3 676	3 930
Councillor L M Ntshite	760	12 081	12 841
Councillor C Motshabi	355	3 846	4 201
Councillor J Selotlego	128	1 480	1 608
Councillor M Monyatsi	524	8 160	8 684
Councillor F Mokati	37	726	763
	5 324	52 626	57 950

30 June 2014	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Councillor M Nondzaba	878	21 542	22 420
Councillor J Maretele	566	13 668	14 234
Councillor S Motlhaga	1 340	4 561	5 901
Councillor J Setou	323	7 017	7 340
Councillor K Motshegoa	565	1 805	2 370
Councillor L M Ntshite	639	8 491	9 130
Councillor C Motshabi	292	2 278	2 570
Councillor J Selotlego	110	1 029	1 139
Councillor M Monyatsi	486	5 908	6 394
	5 199	66 299	71 498

During the year the following Councillors' had arrear accounts outstanding for more than 90 days.

Supply chain management regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved/condoned by the City Manager and noted by Council. The expenses incurred as listed hereunder have been condoned.

43. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the and includes a note to the financial statements.

In line with regulation 36 of the Municipal supply chain management the Municipality has incurred deviation to the value of **R17 748 940.90** which were submitted to council for noting. The Municipality has been complying with regulation 36 and has kept the register for all deviations recorded for the year.

Moses Kotane Local Municipality

Appendix A

June 2015

Schedule of external loans as at 30 June 2015

Loan Number	Redeemable	Balance at 30 June 2014 Rand	Received during the period Rand	Redeemed written off during the period Rand	Balance at 30 June 2015 Rand
Loan Stock					
Transport	84312539	176 491	-	37 026	139 465
Transport	84312652	176 491	-	37 026	139 465
Transport	84312784	176 491	-	37 026	139 465
Transport	84312962	176 491	-	37 026	139 465
Transport	84312989	176 491	-	37 025	139 466
Transport	84313128	176 491	-	37 026	139 465
Transport	84313357	176 491	-	37 026	139 465
Transport	84314620	176 562	-	37 041	139 521
Transport	84314850	282 231	-	59 209	223 022
Transport	84314906	176 562	-	37 041	139 521
Transport	84314981	189 983	-	39 856	150 127
Transport	84315023	282 231	-	59 209	223 022
Transport	84315180	282 231	-	59 209	223 022
Transport	84315210	318 898	-	66 901	251 997
Transport	84315317	176 562	-	37 041	139 521
Transport	84315392	282 231	-	59 209	223 022
Transport	84315422	176 562	-	37 041	139 521
Transport	84315520	176 562	-	37 041	139 521
Transport	84315597	176 562	-	37 041	139 521
Transport	84315759	176 562	-	37 041	139 521
Transport	84315830	176 562	-	37 041	139 521
Transport	84315937	176 562	-	37 041	139 521
Transport	84316038	176 562	-	37 041	139 521
Transport	84316437	176 562	-	37 041	139 521
Mayoral House	8065717250	1 292 623	-	53 457	1 239 166
Extension of Civic Centre		10 625 282	-	879 130	9 746 152
		16 733 329	-	1 942 812	14 790 517
Development Bank of South Africa					
Roads and Bridges		6 552 684	-	377 126	6 175 558
Streetlights - Sun City		5 326 883	-	308 558	5 018 325
Streetlights - Mabele-a-Podi and Mogwase		3 023 502	-	316 190	2 707 312
Water		20 580 329	-	1 463 032	19 117 297
		35 483 398	-	2 464 906	33 018 492
Other loans					
Civic Centre		6 686 242	-	1 599 867	5 086 375
Civic Centre Ext	50610027704	9 707 692	-	878 602	8 829 090
Civic Centre Ext	Loan 9078	8 637 786	-	290 652	8 347 134
Community Halls	18721	2 564 106	-	130 594	2 433 512
		27 595 826	-	2 899 715	24 696 111
Total external loans					
Loan Stock		16 733 329	-	1 942 812	14 790 517
Development Bank of South Africa		35 483 398	-	2 464 906	33 018 492
Other loans		27 595 826	-	2 899 715	24 696 111
		79 812 553	-	7 307 433	72 505 120

Moses Kotane Local Municipality
Moses Kotane Local Municipality
Appendix B
June 2015

Analysis of property, plant and equipment as at 30 June 2015
Cost/Revaluation Accumulated depreciation

	Opening Balance Rand	Prior Year Corrections Rand	Disposals Rand	Transfers Rand	GRAP 17 Impl Adj (See note) Rand	Closing Balance Rand	Opening Balance Rand	Prior Year Corrections Rand	Restated OB Rand	Closing Balance Rand	Carrying value Rand
Land and buildings											
Land (Separate for AFS purposes)	12 825 149	-	12 825 149	-	201 000	13 026 149	-	-	-	-	13 026 149
Work in Progress	9 205 549	-	9 205 549	-	-	9 205 549	-	-	-	-	9 205 549
Buildings (Separate for AFS purposes)	43 491 442	(15 144 914)	28 346 528	-	-	28 399 088	(9 099 323)	2 448 900	(6 650 423)	(7 577 231)	20 821 857
	65 522 140	(15 144 914)	50 377 228	-	201 000	50 630 786	(9 099 323)	2 448 900	(6 650 423)	(7 577 231)	43 053 555
Infrastructure											
Roads, Pavements & Bridges	452 895 033	22 397 536	475 292 568	-	-	486 301 997	(278 902 422)	(1 836 232)	(280 738 654)	(305 648 569)	180 813 428
Street lighting	37 568 016	-	37 568 016	-	-	37 568 016	(9 415 499)	-	9 415 499	(10 883 857)	26 684 159
Water Reticulation	341 705 166	6 593 053	348 298 220	-	-	349 271 359	(158 805 626)	(208 155)	(159 013 781)	(168 142 793)	181 128 565
Water Boreholes	38 779 403	2 632 663	41 412 066	-	-	39 731 555	(24 110 240)	(543 082)	24 653 322	(28 637 885)	11 073 660
Water pumpstations	4 347 195	-	4 347 195	-	-	4 398 025	(2 959 576)	-	(2 959 576)	(3 173 458)	1 222 566
Water reservoirs	78 577 652	356 675	78 934 327	-	-	79 374 202	(29 477 713)	(20 002)	(5 766 082)	(32 433 516)	46 940 686
Water bulk pipelines	199 714 964	-	199 714 964	-	-	199 714 964	(135 349 130)	-	(135 349 130)	(139 787 969)	59 946 995
Water Treatment works	9 831 189	177 339	10 008 528	-	-	10 154 798	(5 766 604)	(9 478)	-	(6 292 738)	3 852 058
Stormwater	-	-	-	-	-	2 675 004	-	-	-	(148 506)	2 527 188
Sewer Main and purification plant	63 603 511	1 000	63 604 511	-	-	73 119 057	(37 505 471)	(111)	(37 505 582)	(40 462 193)	32 656 864
Refuse removal	29 107 193	-	29 107 193	-	-	31 486 049	(16 007 760)	248 737	(15 759 023)	(17 254 705)	14 231 344
Work in Progress	196 153 422	(32 158 265)	162 995 157	-	-	241 009 335	-	-	-	-	241 009 335
	1 451 282 764	1 145 128 755	-	-	-	1 554 863 048	(898 340 041)	(2 388 323)	(603 083 007)	(752 786 200)	802 096 848
Community Assets											
Parks & gardens	6 258 668	-	6 258 668	-	-	6 258 668	(2 473 279)	-	-	(2 652 963)	3 605 705
Civic Building	41 699 134	15 814 720	57 513 854	-	-	58 348 376	(12 657 429)	(2 687 031)	(15 344 460)	(17 964 888)	40 383 388
Libraries	3 876 134	246 797	4 122 932	-	-	4 124 932	(1 180 218)	(33 200)	(1 213 418)	(1 311 435)	2 813 497
Recreational grounds	21 289 934	-	21 289 934	-	-	21 289 934	(9 287 984)	2	(9 287 982)	(9 540 716)	11 749 218
Cemeteries	7 359 168	-	7 359 168	-	-	7 381 180	(2 005 401)	-	(2 005 401)	(2 503 356)	4 877 813
Work in Progress	50 629 833	(916 603)	49 713 230	-	-	64 758 851	-	-	-	-	64 758 851
	121 124 871	15 144 814	146 269 786	-	-	162 101 929	(28 604 281)	(2 720 228)	(26 851 241)	(33 973 457)	128 188 472

Moses Kotane Local Municipality
Moses Kotane Local Municipality
Appendix B
June 2015

Analysis of property, plant and equipment as at 30 June 2015
Cost/Revaluation Accumulated depreciation

	Opening Balance Rand	Prior Year Corrections Rand	Disposals Rand	Transfers Rand	GRAP 17 Impl Adj (See note) Rand	Closing Balance Rand	Opening Balance Rand	Prior Year Corrections Rand	Restated OB Rand	Closing Balance Rand	Carrying value Rand
Heritage assets											
Sculpture	14 000	-	-	-	-	14 000	-	-	-	-	14 000
	14 000	-	-	-	-	14 000	-	-	-	-	14 000
Specialised vehicles											
Other assets											
Motor vehicles	33 810 577	-	33 810 577	-	-	50 178 379	(22 121 816)	-	-	(25 275 349)	24 903 030
Plant & equipment	9 403 716	-	9 403 716	(1 819 801)	-	7 986 079	(6 408 452)	-	-	(7 899 039)	399 040
Furniture & Fittings	5 184 951	-	5 184 951	-	-	9 081 262	(3 893 527)	-	-	(4 461 734)	4 619 519
Office Equipment	23 452 385	(3 111 000)	23 452 385	-	-	44 384 203	(6 037 046)	-	(6 037 046)	(10 749 875)	34 134 328
	71 851 629	(3 111 000)	71 851 629	(1 819 801)	-	112 141 913	(38 455 841)	-	(6 037 046)	(46 085 997)	64 056 916

Moses Kotane Local Municipality
Moses Kotane Local Municipality
Appendix B
June 2015

Analysis of property, plant and equipment as at 30 June 2015
Cost/Revaluation **Accumulated depreciation**

	Opening Balance Rand	Prior Year Corrections Rand	Disposals Rand	Transfers Rand	GRAP 17 Impl Adj (See note 1) Rand	Closing Balance Rand	Opening Balance Rand	Prior Year Corrections Rand	Restated OB Rand	Closing Balance Rand	Carrying value Rand
Total property plant and equipment											
Land and buildings	65 522 140	(15 144 914)	50 377 226	-	201 000	50 630 786	(9 099 323)	2 448 900	(6 850 423)	(14 227 654)	43 053 555
Infrastructure	1 451 282 754	1 1 451 282 755	-	-	-	1 554 863 047	(698 340 041)	(2 368 323)	(603 063 007)	1 355 829 207	802 096 848
Community Assets	131 124 871	15 144 914	146 269 786	-	-	162 181 927	(26 604 291)	(2 720 229)	(26 851 241)	(60 824 698)	128 188 472
Heritage assets	14 000	-	-	-	-	14 000	-	-	-	-	14 000
Other assets	71 851 629	(3 111 000)	71 851 629	(1 619 801)	-	112 141 913	(38 456 841)	-	(6 037 046)	(54 123 043)	64 055 916
	1 719 795 394	(3 110 999)	1 719 781 396	(1 619 801)	201 000	1 879 811 673	(772 500 496)	(2 639 652)	(642 601 717)	1 485 004 602	1 037 408 791

Agricultural/Biological assets
Intangible assets
Investment properties
Total

Land and buildings	65 522 140	(15 144 914)	50 377 226	-	201 000	50 630 786	(9 099 323)	2 448 900	(6 850 423)	(7 577 231)	43 053 555
Infrastructure	1 451 282 754	1 1 451 282 755	-	-	-	1 554 863 047	(698 340 041)	(2 368 323)	(603 063 007)	(752 786 200)	802 096 848
Community Assets	131 124 871	15 144 914	146 269 786	-	-	162 181 927	(26 604 291)	(2 720 229)	(26 851 241)	(33 973 457)	128 188 472
Heritage assets	14 000	-	-	-	-	14 000	-	-	-	-	14 000
Other assets	71 851 629	(3 111 000)	71 851 629	(1 619 801)	-	112 141 913	(38 456 841)	-	(6 037 046)	(48 085 997)	64 055 916
	1 719 795 394	(3 110 999)	1 719 781 396	(1 619 801)	201 000	1 879 811 673	(772 500 496)	(2 639 652)	(642 601 717)	(842 402 885)	1 037 408 791

Moses Kotane Local Municipality

Appendix D

June 2015

Segmental Statement of Financial Performance for the year ended
Prior Year **Current Year**

Actual Income Rand	Actual Expenditure Rand	Surplus /(Deficit) Rand		Actual Income Rand	Actual Expenditure Rand	Surplus /(Deficit) Rand
Municipality						
41 845	84 137 397	(84 095 552)	Executive & Council/Mayor and Council	-	78 061 497	(78 061 497)
398 718 327	77 593 940	321 124 387	Finance & Admin/Finance	410 881 311	173 846 457	237 034 854
181 969	11 597 765	(11 415 796)	Planning and Development/Economic Development/Plan	82 727	14 757 720	(14 674 993)
1 115 623	27 754 743	(26 639 120)	Comm. & Social/Libraries and archives	530 679	1 348 592	(817 913)
1 204 300	5 534 028	(4 329 728)	Public Safety/Police	1 204 300	5 762 308	(4 558 008)
439	12 418 745	(12 418 306)	Sport and Recreation	-	12 399 299	(12 399 299)
31 067 130	28 328 461	2 738 669	Waste Water Management/Sewerage	58 787 870	47 500 366	11 287 504
1 512	64 286 007	(64 284 495)	Road Transport/Roads	6 958 104	60 437 788	(53 479 684)
169 734 334	148 083 764	21 650 570	Water/Water Distribution	182 165 147	187 220 100	(5 054 953)
602 065 479	459 734 850	142 330 629		660 610 138	581 334 127	79 276 011
Municipal Owned Entities Other charges						
602 065 479	459 734 850	142 330 629	Municipality	660 610 138	581 334 127	79 276 011
602 065 479	459 734 850	142 330 629	Total	660 610 138	581 334 127	79 276 011

Moses Kotane Local Municipality
Appendix E(2)
June 2015

Budget Analysis of Capital Expenditure as at 30 June 2015

	Additions	Revised	Variance	Variance	Explanation of significant
	Rand	Budget	Rand	%	variances from budget
		Rand			
Municipality					
Other Assets - Furniture & Office equipment	3 896 301	2 916 709	(979 592)		(34) Infrastructure not reallocated to new civic center
Other Assets - Computers (hardware & equipment)	24 542 818	8 939 000	(15 603 818)		(175) recabling of new civic center
Other Assets - Plant & Equipment	214 164	700 000	485 836		69 Upgrading of boreholes in villages
Other Assets - Civic Land & Buildings	12 497 959	18 726 491	6 228 532		33 Construction of new community halls
Waste Water Management/Sewerage	10 734 000	12 053 609	1 319 609		11 Projects not fully implemented and roll over to the 14/15 financial year
Road Transport/Roads	66 046 000	71 292 270	5 246 270		7
Water/Water Distribution	26 548 000	39 853 649	13 305 649		33 Projects not fully implemented and roll over to the 14/15 financial year
Electricity /Electricity Distribution	-	24 614 441	24 614 441		100 Projects not fully implemented and roll over to the 14/15 financial year
Other Assets - General Vehicles	16 455 048	27 730 000	11 274 952		41 Projects not fully implemented and roll over to the 14/15 financial year
Infrastructure - Other	7 929 710	10 580 733	2 651 023		25 Projects not fully implemented and roll over to the 14/15 financial year
Community - Libraries	-	400 000	400 000		100 Project financed from the library grant
	168 864 000	217 806 902	48 942 902	22	

Municipal Owned Entities
Other charges

Moses Kotane Local Municipality
Appendix F
Disclosures of Grants and Subsidies in terms of Section 123 MFMA, 56 of 2003
June 2015

Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts					Quarterly Expenditure					Grants and Subsidies delayed / withheld					Reason for delay/withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for noncompliance
		Sep	Dec	Mar	Jun	Jun	Sep	Dec	Mar	Jun	Jun	Jun	Sep	Dec	Mar	Jun			
FMG	National treasury	1 600	-	-	-	-	92	203	157	1 148	-	-	-	-	-	-		Yes	
MSIG	COGTA	934	-	-	-	-	-	-	396	538	-	-	-	-	-	-		Yes	
EPWP	Public works	738	554	553	-	-	1 845	-	-	-	-	-	-	-	-	-		Yes	
DWA-Operation and maintenance	DWA	1 875	3 750	1 875	-	-	-	1 535	5 855	110	-	-	-	-	-	-		Yes	
Mogwase library grant	DEP sports arts and Culture	-	400	-	-	-	-	-	-	272	-	-	-	-	-	-	The municipality was underspending on Library projects	No	
EEDSM	DEP Eergy	1 500	1 500	1 000	-	-	-	-	49	3 688	-	-	-	-	-	-	The municipality was underspending on EEDSM projects	No	
MIG	COGTA	19 625	52 335	38 877	-	-	21 397	16 167	19 688	51 511	-	-	20 000	-	-	-	The municipality was underspending on MIG projects	No	
Water Conservation Management Grant Disaster Management	DWA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
				100															
		26 272	58 539	42 405	-	-	23 334	17 905	26 145	57 267	-	-	20 000	-	-	-			

Note: A municipality should provide additional information on how a grant was spent per Vote. This excludes allocations from the Equitable Share.

Appendix G1
Budgeted Financial Performance (revenue and expenditure by standard classification)
for the year ended 30 June 2015

Original Budget	Budget Adjustments (L.O. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (L.O. s31 of the MFMA)	Virement (L.O. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance of Actual Outcome against Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Revenue - Standard														
Governance and administration	255 595 000	25 792 000	281 387 000	-	281 387 000	410 881 311	-	129 494 311	146 %	161 %	-	-	-	396 421 000
Executive and council	-	-	-	-	-	-	-	-	- %	- %	-	-	-	42 000
Budget and treasury office	254 670 000	26 196 000	280 866 000	-	280 866 000	410 711 990	-	129 845 990	146 %	161 %	-	-	-	396 192 000
Corporate services	925 000	(404 000)	521 000	-	521 000	169 321	-	(351 679)	32 %	18 %	-	-	-	187 000
Community and public safety	3 933 000	2 000	3 935 000	-	3 935 000	1 734 979	-	(2 200 021)	44 %	44 %	-	-	-	4 056 223
Community and social services	422 000	6 000	428 000	-	428 000	530 679	-	102 679	124 %	126 %	-	-	-	1 115 623
Sport and recreation	11 000	(4 000)	7 000	-	7 000	-	-	(7 000)	- %	- %	-	-	-	-
Public safety	3 500 000	-	3 500 000	-	3 500 000	1 204 300	-	(2 295 700)	34 %	34 %	-	-	-	2 940 600
Economic and environmental services	3 468 000	(50 000)	3 418 000	-	3 418 000	7 040 831	-	3 622 831	206 %	203 %	-	-	-	1 478 543
Planning and development	200 000	(50 000)	150 000	-	150 000	82 727	-	(67 273)	55 %	41 %	-	-	-	181 969
Road transport	3 268 000	-	3 268 000	-	3 268 000	6 958 104	-	3 690 104	213 %	213 %	-	-	-	1 296 674
Environmental protection	-	-	-	-	-	-	-	-	- %	- %	-	-	-	-
Trading services	239 308 000	(6 280 000)	233 028 000	-	233 028 000	240 953 017	-	7 925 017	103 %	101 %	-	-	-	200 430 113
Water	180 536 000	(6 000 000)	174 536 000	-	174 536 000	182 165 147	-	7 629 147	104 %	101 %	-	-	-	-
Waste water management	13 060 000	(180 000)	12 880 000	-	12 880 000	12 854 720	-	(25 280)	100 %	96 %	-	-	-	10 142 278
Waste management	45 712 000	(100 000)	45 612 000	-	45 612 000	45 933 150	-	321 150	101 %	100 %	-	-	-	20 924 853
Total Revenue - Standard	502 304 000	19 464 000	521 768 000	-	521 768 000	660 610 138	-	138 842 138	127 %	132 %	-	-	-	602 385 679

Appendix G1
Budgeted Financial Performance (revenue and expenditure by standard classification)
for the year ended 30 June 2015

Original Budget	Budget Adjustments (I.L.O. 228 and 231 of the MFMA)	Final adjustments budget	Shifting of funds (I.L.O. 331 of the MFMA)	Virement (I.L.O. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Expenditure - Standard														
Governance and administration	228 454 000	22 396 000	250 760 000	-	-	250 760 000	87 870 214	- (163 088 786)	35 %	38 %	-	-	-	176 263 523
Executive and council	78 060 000	787 000	78 847 000	-	-	78 847 000	7 806 147	- (71 040 853)	10 %	10 %	-	-	-	80 751 290
Budget and treasury office	52 935 000	10 535 000	63 470 000	-	-	63 470 000	59 992 000	- (3 478 000)	95 %	113 %	-	-	-	44 440 108
Corporate services	97 459 000	10 984 000	108 443 000	-	-	108 443 000	19 872 067	- (88 570 933)	18 %	20 %	-	-	-	51 072 125
Community and public safety	146 987 000	(4 488 000)	142 499 000	-	-	142 499 000	118 454 000	- (24 035 000)	83 %	81 %	-	-	-	104 586 793
Community and social services	5 404 000	130 000	5 534 000	-	-	5 534 000	6 128 000	- 594 000	111 %	113 %	-	-	-	5 237 351
Sport and recreation	17 032 000	(706 000)	16 326 000	-	-	16 326 000	13 273 000	- (3 053 000)	81 %	78 %	-	-	-	12 205 185
Public safety	20 059 000	(1 291 000)	18 768 000	-	-	18 768 000	5 931 000	- (12 837 000)	32 %	30 %	-	-	-	13 898 701
Economic and environmental services	83 677 000	(1 802 000)	81 875 000	-	-	81 875 000	78 334 000	- (3 541 000)	96 %	94 %	-	-	-	61 681 826
Planning and development	20 815 000	(829 000)	19 986 000	-	-	19 986 000	14 788 000	- (5 198 000)	74 %	71 %	-	-	-	11 563 730
Road transport	62 862 000	(973 000)	61 889 000	-	-	61 889 000	63 546 000	- 1 657 000	103 %	101 %	-	-	-	50 118 086
Trading services	226 919 000	1 320 000	228 239 000	-	-	228 239 000	195 687 000	- (33 162 000)	85 %	86 %	-	-	-	179 585 301
Water	170 777 000	2 978 000	173 755 000	-	-	173 755 000	165 964 000	- (7 791 000)	96 %	97 %	-	-	-	154 627 120
Waste water management	12 119 000	(748 000)	11 371 000	-	-	11 371 000	21 769 000	- 10 398 000	191 %	180 %	-	-	-	-
Waste management	44 023 000	(910 000)	43 113 000	-	-	43 113 000	7 354 000	- (35 759 000)	17 %	17 %	-	-	-	24 938 181
Total Expenditure - Standard	581 545 000	19 957 000	601 502 000	-	-	601 502 000	386 423 214	- (215 078 786)	64 %	66 %	-	-	-	448 851 887
Surplus/(Deficit) for the year	(79 241 000)	(493 000)	(79 734 000)	-	-	(79 734 000)	274 186 924	353 920 924	(344)%	(346)%	-	-	-	153 533 982

Appendix G3
Budgeted Financial Performance (revenue and expenditure)
for the year ended 30 June 2015

	Original Budget	Budget Adjustments (i.e. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.e. s31 of the MFMA)	Virement (i.e. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Revenue By Source															
Property rates	45 722 000	20 051 000	65 773 000	-	-	65 773 000	65 624 000	-	(149 000)	100 %	144 %	-	-	-	54 104 609
Service charges - water revenue	108 885 000	(6 000 000)	102 885 000	-	-	102 885 000	102 965 138	-	80 138	100 %	95 %	-	-	-	83 365 309
Service charges - sanitation revenue	3 060 000	-	3 060 000	-	-	3 060 000	2 855 000	-	(205 000)	93 %	93 %	-	-	-	-
Service charges - refuse revenue	21 712 000	(100 000)	21 612 000	-	-	21 612 000	21 933 000	-	321 000	101 %	101 %	-	-	-	5 471 453
Interest earned - external investments	9 300 000	400 000	9 700 000	-	-	9 700 000	10 291 000	-	591 000	106 %	111 %	-	-	-	10 394 667
Interest earned - outstanding debtors	16 500 000	6 000 000	22 500 000	-	-	22 500 000	22 871 000	-	371 000	102 %	139 %	-	-	-	17 761 707
Fines	3 500 000	-	3 500 000	-	-	3 500 000	1 204 000	-	(2 296 000)	34 %	34 %	-	-	-	2 940 600
Transfers recognised - operational	291 261 000	-	291 261 000	-	-	291 261 000	431 619 000	-	140 358 000	148 %	148 %	-	-	-	256 421 071
Other revenue	2 364 000	(707 000)	1 657 000	-	-	1 657 000	1 248 000	-	(409 000)	75 %	53 %	-	-	-	941 610
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	- %	- %	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	502 304 000	19 644 000	521 948 000	-	-	521 948 000	660 610 138	-	138 662 138	127 %	132 %	-	-	-	431 401 426

Appendix G3
Budgeted Financial Performance (revenue and expenditure)
for the year ended 30 June 2015

	Original Budget	Budget Adjustments (i.e. s23 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.e. s31 of the MFMA)	Virement (i.e. Council approved policy)	Final Budget	Actual Outcomes	Unauthorised expenditure	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Expenditure By Type															
Employee related costs	152 935 000	(8 916 000)	144 019 000	-	-	144 019 000	129 574 000	-	(14 445 000)	90 %	85 %	-	-	-	115 650 606
Remuneration of councillors	19 515 000	-	19 515 000	-	-	19 515 000	19 154 000	-	(361 000)	98 %	98 %	-	-	-	18 178 682
Debt impairment	51 518 000	2 480 000	53 998 000	-	-	53 998 000	58 111 000	-	5 113 000	109 %	115 %	-	-	-	65 865 525
Depreciation & asset impairment	95 468 000	-	95 468 000	-	-	95 468 000	67 342 000	-	(28 126 000)	71 %	71 %	-	-	-	64 814 683
Finance charges	9 998 000	-	9 998 000	-	-	9 998 000	9 316 000	-	(682 000)	93 %	93 %	-	-	-	8 586 287
Bulk purchases	43 500 000	-	43 500 000	-	-	43 500 000	55 524 546	-	12 024 546	128 %	128 %	-	-	-	41 849 414
Other materials	33 148 000	2 337 000	35 485 000	-	-	35 485 000	45 433 000	-	9 948 000	128 %	137 %	-	-	-	27 756 081
Contracted services	29 000 000	(1 221 000)	27 779 000	-	-	27 779 000	24 293 000	-	(3 486 000)	87 %	84 %	-	-	-	117 023 171
Other expenditure	146 463 000	25 277 000	171 740 000	-	-	171 740 000	171 586 581	-	(153 419)	100 %	117 %	-	-	-	-
Total Expenditure	581 548 000	19 957 000	601 505 000	-	-	601 505 000	581 334 127	-	(20 167 873)	97 %	100 %	-	-	-	459 734 848
Surplus/(Deficit)	(79 241 000)	(313 000)	(79 554 000)	-	-	(79 554 000)	79 278 011	-	158 830 011	(100)%	(100)%	-	-	-	(28 333 423)
Transfers recognised - capital	120 041 000	87 757 000	207 798 000	-	-	207 798 000	184 279 094	-	(23 518 906)	89 %	154 %	-	-	-	146 661 841
Contributions recognised - capital	(120 041 000)	(92 500 000)	(212 541 000)	-	-	(212 541 000)	-	-	212 541 000	- %	- %	-	-	-	-
Surplus/(Deficit) after taxation	(79 241 000)	(5 056 000)	(84 297 000)	-	-	(84 297 000)	263 555 105	-	347 852 105	(313)%	(333)%	-	-	-	118 328 418
Surplus/(Deficit) attributable to municipality	(79 241 000)	(5 056 000)	(84 297 000)	-	-	(84 297 000)	263 555 105	-	347 852 105	(313)%	(333)%	-	-	-	118 328 418
Surplus/(Deficit) for the year	(79 241 000)	(5 056 000)	(84 297 000)	-	-	(84 297 000)	263 555 105	-	347 852 105	(313)%	(333)%	-	-	-	118 328 418

Moses Kotane Local Municipality
Appendix G5
Budgeted Cash Flows
for the year ended 30 June 2015

	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Final Budget	Actual Outcome	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Cash flow from operating activities									
Receipts									
Ratepayers and other	112 984 000	50 983 000	163 967 000	163 967 000	178 084 000	14 117 000	109 %	158 %	902 909 763
Government - operating	291 060 000	23 259 000	314 319 000	314 319 000	283 809 000	(30 510 000)	90 %	98 %	256 421 071
Government - capital	131 569 000	400 000	131 969 000	131 969 000	128 837 000	(3 132 000)	98 %	98 %	146 661 841
Interest	9 300 000	-	9 300 000	9 300 000	33 162 000	23 862 000	357 %	357 %	28 156 373
Payments									
Suppliers and employees	(386 495 000)	(52 320 000)	(438 815 000)	(438 815 000)	(516 631 000)	(77 816 000)	118 %	134 %	486 364 328
Finance charges	(9 998 000)	-	(9 998 000)	(9 998 000)	(9 316 000)	682 000	93 %	93 %	8 586 287
Net cash flow from/used operating activities	148 420 000	22 322 000	170 742 000	170 742 000	97 945 000	(72 797 000)	57 %	66 %	1 829 099 663
Cash flow from investing activities									
Receipts									
Decrease (Increase) in non-current investments	-	-	-	-	(12 932)	(12 932)	- %	- %	-
Decrease (Increase) in non-current debtors	37 295 000	20 000 000	57 295 000	57 295 000	-	(57 295 000)	- %	- %	12 015
Capital Replacement Reserve	-	-	-	-	-	-	- %	- %	-
Correction of error	-	-	-	-	1 667 000	1 667 000	- %	- %	-
Payments									
Capital assets	(183 548 000)	(34 259 000)	(217 807 000)	(217 807 000)	(168 864 000)	48 943 000	78 %	92 %	-
Net cash flow from/used investing activities	(146 253 000)	(14 259 000)	(160 512 000)	(160 512 000)	(167 209 932)	(6 697 932)	104 %	114 %	12 015
Cash flow from financing activities									
Receipts									
Borrowing long term/refinancing	9 000 000	(9 000 000)	-	-	-	-	DIV/0 %	- %	8 606 400
Finance lease payments	-	-	-	-	(3 834 000)	(3 834 000)	- %	- %	-
Payments									
Repayment of borrowing	(9 937 000)	-	(9 937 000)	(9 937 000)	(7 307 000)	2 630 000	74 %	74 %	252 640
Net cash flow from/used financing activities	(937 000)	(9 000 000)	(9 937 000)	(9 937 000)	(11 141 000)	(1 204 000)	112 %	1 189 %	8 859 040
Net increase/(decrease) in cash held	1 230 000	(937 000)	293 000	293 000	(80 405 932)	(80 698 932)	(27 442)%	(6 537)%	1 837 970 718
Cash/cash equivalents at the year begin:					165 889 000				-
Cash/cash equivalents at the year end:	1 230 000	(937 000)	293 000	293 000	85 483 068	(80 698 932)	29 175 %	6 950 %	

Moses Kotane Local Municipality

(Demarcation code NW375)

Financial Statements for the year ended 30 June 2015

Supplementary Information

MOSES KOTANE LOCAL MUNICIPALITY			
APPENDIX H			
STATISTICAL INFORMATION FOR THE YEAR ENDED 30 JUNE 2015			
General statistics	2015	2014	
Population	236 845	236 845	
Registered voters	116 000	116 000	
Valuation date: January 2012 with effect from 1 July 2012			
Total valuations	5 083 449 307	3 779 601 000	
Assessment rates			
Calculated on the improved value of the property			
Residential	per rand	0,00100	0,00096
		Less 17,000 on valuation	Less 17,000 on valuation
		plus a rebate of 20% if developed	plus a rebate of 20% if developed
Mining		0,06660	0,06283
Commercial		0,02053	0,01937
Other properties and right in land			
Sun City		0,03463	0,03267
Government properties and Tertiary Inst		0,05000	0,03524 less 20%
Industrial		0,00826	0,00779
		Less 20 %	
Number of properties			
Residential	Formal	3 242	4 426
Commercial	Formal	131	131
Churches	Formal	36	18
Service charges: (Per site)			
Refuse Removal			
Residential Madikwe		24.49 plus VAT	22.26 plus VAT
Commercial Madikwe		49.98 plus VAT	44.53 plus VAT
Residential Mogwase		24.49 plus VAT	22.26 plus VAT
Commercial Mogwase		49.98 plus VAT	44.53 plus VAT
Sewerage			
Residential Madikwe		23.60 plus VAT	22.26 plus VAT
Commercial Madikwe		47.19 plus VAT	44.53 plus VAT
Residential Mogwase		23.60 plus VAT	22.26 plus VAT
Commercial Mogwase		47.19 plus VAT	44.53 plus VAT
Industries		5.78 on 60% of water consumed	5.25 on 60% of water consumed
Water			
Residential		0 to 6kl Free of Charge	0 to 6kl Free of Charge
		6.1 to 45kl 12.24	6.1 to 45kl 11.13
		45.1 kl and above 14.08	45.1 kl and above 12.8
Small Business and State Department		0 to 45 kl 12.24	0 to 45 kl 11.13
		45.1 kl and above 14.66	45.1 kl and above 13.33
Bulk Consumers		9.23 per kl	8.39 per kl
Industrial and large consumers		12.65 per kl	11.50 per kl
All water tariffs are excluding VAT			
Water Statistics			
Number of users		22 576	20 790
Kl Purchased		13 317 004	11 307 837
Kl Sold		9 415 621,00	9 233 891,00
Free basic Kl		1 064 167,00	1 080 082,00
Kl Lost in distribution		2 837 216,00	993 864,00
Percentage lost in distribution		21	9
Cost per kl bought		4,2580	3,3724
Loss in distribution		12 080 866,00	3 701 149,54
Cost per kl sold		13,67	16,62
Income per kl sold		9,55	9,19
Number of employees			
		463	417
Number of councillors			
		62	62

* See Note 35

The supplementary information presented does not form part of the financial statements and is unaudited

Moses Kotane Local Municipality

(Demarcation code NW375)

Financial Statements for the year ended 30 June 2015

Supplementary Information

Councillor	Position	2014/15 Tabled Package	Telephone allowance	Data Facility	15% Pension	Medical	Travel Allowance	Salary	Total Package Data Facility	Note
Mokati - Thebe F	Mayor	718 495,00	-	3 600,00	65 049,69	17 280,00	179 624,18	456 541,13	718 495,00	
Diale RA	Speaker	574 796,00	20 868,00	3 600,00	53 843,01	-	143 698,75	377 254,24	574 796,00	
Nkotswe M N	Executive	538 872,00	20 868,00	3 600,00	48 223,86	17 280,00	134 718,04	338 650,10	538 872,00	
Tshelilane D R	Executive	538 872,00	20 868,00	3 600,00	48 223,86	17 280,00	134 718,04	338 650,10	538 872,00	
Motshabi C N	Executive	538 872,00	20 868,00	3 600,00	43 840,71	16 513,20	134 718,04	343 800,05	538 872,00	
Setou A B	Executive	538 872,00	20 868,00	3 600,00	48 223,86	17 280,00	134 718,04	338 650,10	538 872,00	
Lesele K	Executive	538 872,00	20 868,00	3 600,00	50 477,82	-	134 718,04	353 676,14	538 872,00	
Manganye T R	Executive	538 872,00	20 868,00	3 600,00	50 477,82	-	134 718,04	353 676,14	538 872,00	
Mashimo R E	Executive	538 872,00	20 868,00	3 600,00	50 477,82	-	134 718,04	353 676,14	538 872,00	
Tlabyane D R	Executive	538 872,00	20 868,00	3 600,00	48 223,86	17 280,00	134 718,04	338 650,10	538 872,00	
Kapari L L	Executive	538 872,00	19 129,00	3 300,00	42 189,00	-	116 345,27	305 283,81	463 818,08	
Vava S S	MPAC Chair	502 946,00	20 868,00	3 600,00	47 112,48	-	125 736,50	330 097,02	502 946,00	
Total		5 352 794,00	206 941,00	35 700,00	477 471,09	85 633,20	1 319 826,09	3 394 809,70	5 277 740,08	
Matshaba M Z	Whip	538 872,00	20 868,00	3 600,00	48 223,86	17 280,00	134 718,04	338 650,10	538 872,00	
Daleki N	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Ndlovu H	Councillor	215 548,00	20 868,00	3 600,00	17 937,18	17 280,00	53 887,00	126 443,82	215 548,00	
Khunou M K	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Letlape A T	Councillor	215 548,00	20 868,00	3 600,00	17 869,11	17 802,00	53 887,00	125 989,89	215 548,00	
Lephoto E T	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Leoto M D	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Lukhele R M	Councillor	215 548,00	20 868,00	3 600,00	18 237,24	14 979,60	53 887,00	128 444,16	215 548,00	
Magodieli M A	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Makgathi M S	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Manganye S M	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Billi L H	Councillor	215 548,00	20 868,00	3 600,00	20 191,11	-	53 887,00	141 469,89	215 548,00	
Mashishi S N	Councillor	215 548,00	20 868,00	3 600,00	18 216,97	15 135,00	53 887,00	128 309,03	215 548,00	
Matlapeng S S	Councillor	215 548,00	20 868,00	3 600,00	18 237,24	14 979,60	53 887,00	128 444,16	215 548,00	
Mekgwae J D	Councillor	215 548,00	3 476,00	600,00	5 944,47	-	8 472,84	30 303,69	44 721,00	
Mkhandawiri P P	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Mngomezulu P P	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Moate L	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Moatshe G D	Councillor	215 548,00	20 868,00	3 600,00	18 723,73	18 150,00	53 887,00	124 787,27	215 548,00	
Mokgathe	Councillor	215 548,00	20 868,00	3 600,00	19 627,63	4 320,00	53 887,00	137 713,37	215 548,00	
Moloi F	Councillor	215 548,00	20 868,00	3 600,00	17 937,18	17 280,00	53 887,00	126 443,82	215 548,00	
Monyatsi M V	Councillor	215 548,00	20 868,00	3 600,00	17 937,18	17 280,00	53 887,00	126 443,82	215 548,00	
Monnagotla T	Councillor	215 548,00	20 868,00	3 600,00	17 937,18	17 280,00	53 887,00	126 443,82	215 548,00	
Selotlago J	Councillor	215 548,00	20 868,00	3 600,00	17 937,18	17 280,00	53 887,00	126 443,82	215 548,00	
Morape S S	Councillor	215 548,00	20 868,00	3 600,00	18 219,89	15 112,80	53 887,00	128 328,31	215 548,00	
Moeng T J	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Morua E G	Councillor	215 548,00	20 868,00	3 600,00	17 937,18	17 280,00	53 887,00	126 443,82	215 548,00	
Motshagoe D M	Councillor	215 548,00	20 868,00	3 600,00	17 937,18	17 280,00	53 887,00	126 443,82	215 548,00	
Mothaga P R	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Nhlapo L	Councillor	215 548,00	20 868,00	3 600,00	18 054,43	16 509,60	53 887,00	127 096,97	215 548,00	
Ramapotoka G M	Councillor	215 548,00	20 868,00	3 600,00	19 627,65	5 760,00	53 887,00	136 273,35	215 548,00	
Motsoenyane M Z	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Moyo D F	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Masilo J	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Nondzaba M	Councillor	215 548,00	20 868,00	3 600,00	17 937,18	17 280,00	53 887,00	126 443,82	215 548,00	
Maretele J	Councillor	215 548,00	20 868,00	3 600,00	17 937,18	17 280,00	53 887,00	126 443,82	215 548,00	
Matshereeng	Councillor	215 548,00	20 868,00	3 600,00	17 486,40	20 736,00	53 887,00	123 438,60	215 548,00	
Pele J M	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Rasepae M D	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Pheto M R	Councillor	215 548,00	20 868,00	3 600,00	17 937,18	17 280,00	53 887,00	126 443,82	215 548,00	
Ntshabele S	Councillor	215 548,00	20 868,00	3 600,00	18 054,43	16 509,60	53 887,00	127 096,97	215 548,00	
Radikana J M	Councillor	215 548,00	20 868,00	3 600,00	17 937,18	17 280,00	53 887,00	126 443,82	215 548,00	
Ramokoka A R	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Sekao H B	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Sekhu S K	Councillor	215 548,00	20 868,00	3 600,00	19 688,46	3 853,80	53 887,00	138 118,74	215 548,00	
Sitha M L	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Tau D D	Councillor	215 548,00	20 868,00	3 600,00	19 688,46	3 853,80	53 887,00	138 118,74	215 548,00	
Thusi M B	Councillor	215 548,00	3 476,00	600,00	5 944,47	-	8 472,84	30 303,69	44 721,00	
Tshite L M J	Councillor	215 548,00	20 868,00	3 600,00	20 191,12	-	53 887,00	141 469,88	215 548,00	
Kapari L L	Councillor	215 548,00	-	-	1 657,73	-	4 236,42	11 051,52	16 945,67	
Lesomo LP	Councillor	215 548,00	19 129,00	3 300,00	17 848,92	-	49 396,38	129 680,72	196 926,02	
Monaise J B	Councillor	215 548,00	15 027,61	3 000,00	16 729,80	-	45 392,47	126 092,22	188 214,49	
Kodongo	Councillor	215 548,00	11 549,61	2 400,00	11 902,47	-	36 716,29	105 393,72	154 012,48	
		11 208 496,00	1 012 590,22	175 500,00	943 273,11	357 781,80	2 631 489,24	6 628 204,51	10 560 748,66	
		18 393 453,00	1 261 267,22	222 000,00	1 587 860,76	477 975,00	4 409 356,30	11 195 459,68	17 670 651,74	
			1 483 267,22		1 587 860,76		4 409 356,30			

* See Note 35

The supplementary information presented does not form part of the financial statements and is unaudited

Moses Kotane Local Municipality

(Demarcation code NW375)

Financial Statements for the year ended 30 June 2015

Supplementary Information

2014/15	Telephone	Data Facility	15% Pension	Medical	Travel	Salary	Total	Note
	1 483 267,22		1 567 860,76	477 975,00	4 409 356,30		19 153 918,96	

NB: Cllr Kapari LL was a part time councillor before he was appointed as a full time Councillor

* See Note 35

The supplementary information presented does not form part of the financial statements and is unaudited

Chapter 6

A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE																
6	PROPERTY PLANT AND EQUIPMENT																				
	<p>The municipality did not review the useful lives and residual values or assess the impairment of property, plant and equipment as required by GRAP 17 property, plant and equipment. Due to the status of the accounting records, it was impracticable to quantify the total adjustments required to property, plant and equipment of R1 037 394 788 (2014: R941 614 840) as disclosed in note 3 to the financial statements or the depreciation and amortisation expense of R67 341 989 (2014: R64 814 883) included in the statement of financial performance.</p>	<ul style="list-style-type: none">REF-EX 1 Monthly reconciliation not performed on a monthly basisREF-EX 3 Discrepancies on the FAR and strange descriptionREF-EX 31 Assets register did not agree to the annual financial statementsREF-EX 37& 42 Discrepancies in depreciation categoryREF-EX Incomplete WIPREF-Retention register differences <p>Comment</p> <p>The issues with assets required more Monthly reconciliation were not performed due to shortage of staff, however the addition were updated on a monthly basis</p>	<table><tr><th>Exception</th><th>Action Plan</th><th>Implementation date</th></tr><tr><td>Ex.1</td><td>Monthly reconciliation will be conducted monthly</td><td>26 February 16</td></tr><tr><td>Ex.31</td><td rowspan="5">Engage with AG on the work done on impairment assessments, depreciation, residual value and disclosed inventory</td><td rowspan="5">31 May 16</td></tr><tr><td>EX.32</td></tr><tr><td>Ex. 36</td></tr><tr><td>Ex.37</td></tr><tr><td>Ex.42</td></tr><tr><td>Ex.105</td><td></td><td></td></tr></table>	Exception	Action Plan	Implementation date	Ex.1	Monthly reconciliation will be conducted monthly	26 February 16	Ex.31	Engage with AG on the work done on impairment assessments, depreciation, residual value and disclosed inventory	31 May 16	EX.32	Ex. 36	Ex.37	Ex.42	Ex.105				
Exception	Action Plan	Implementation date																			
Ex.1	Monthly reconciliation will be conducted monthly	26 February 16																			
Ex.31	Engage with AG on the work done on impairment assessments, depreciation, residual value and disclosed inventory	31 May 16																			
EX.32																					
Ex. 36																					
Ex.37																					
Ex.42																					
Ex.105																					

Chapter 6

			Ex.38	WIP register to be updated in full	26 February 16
			Ex.89	Interim audit to be conducted	30 June 2016
			Ex.113		
			Ex.114		
			Ex.117		

A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
7	CONSUMER DEBTORS				
	<p>Audit finding:</p> <p>7. The municipality did not correctly provide for the debt impairment as required by GRAP 104 financial instruments. I was unable to quantify the full extent of the resulting misstatement to the financial statements as it was impracticable to do so. Consequently, I was unable to determine whether any adjustments to consumer debtors of R228 139 329 (2014: R219 356 842) as disclosed in note 9 to the financial statements or the debt impairment of R59 110 887 (2014: R65 865 525) as disclosed in the statement of financial performance were necessary.</p>	<p>The debt impairment was inclusive of the VAT</p> <p>Comment</p> <p>The VAT that was material relates to the R15 Million that was transferred from the previous system that cannot be resuscitated</p>	<p>To look into the matter further internally</p> <p>The Municipality will engage AG to review the impairment calculation to ensure correct application at year end with a possible write off of the R15 million</p>	<p>HOU: Revenue and CFO</p>	<p>28 FEB 2016</p> <p>31 MAY 2015</p>
8	COMMITMENT				
	<p>8. I was unable to obtain sufficient appropriate audit evidence for approved and contracted commitments due to an</p>	<p>The commitment register was incomplete</p>	<p>Revisit all the project implemented since</p>	<p>HOU Expenditure and HOU PMU</p>	<p>31 March 2015</p>

	<p>inadequate contract management system. The municipality's system did not allow the performance of alternative procedures. Consequently I was unable to determine whether any adjustment to approved and contracted commitments of R38 248 715 (2014: R84 404 180) as disclosed in note 33 the financial statements, was necessary.</p>	<p>Comment</p> <p>During the Audit AG requested that we should reflect all the retention raised and claimed for all the projects that were unblocked in the current which relates to 2010/11, 2011/12 and 2012/2013. It was impractical at the time to compile the information</p>	<p>2010/2011 and compile a detailed performance report, then update the commitment register of the 2015/2016</p>		
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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
9	IRREGULAR EXPENDITURE				
	<p>Audit finding:</p> <p>9. Section 125 of the MFMA requires the disclosure of irregular expenditure incurred. The municipality made payments of R39 016 936 in contravention with the supply chain management requirements which were not included in irregular expenditure. As the municipality did not quantify the full</p>	<p>REF EX139 Addendum of the appointment contract was more than the 20% threshold of the contract.</p> <p>Comment</p> <ul style="list-style-type: none"> Poor communication between AG and the municipality since the addendum to the ground 	<p>Compile a file to the MPAC for further verification and AG for clearing of the findings</p>	<p>Technical director & PMU</p>	<p>25 April 2015</p>

Chapter 6

	extent of the irregular expenditure, it was impracticable to determine the resultant understatement of irregular expenditure of R296 872 958 as disclosed in note 41 to the financial statements	<p>water optimisation was within the scope of the tender.</p> <ul style="list-style-type: none"> The tender was done per unit price, and was still within the approved budget by MIG. File has been prepared and will be submitted at the AG for review during the interim audit for clearing purpose 			
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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
10	PROVISIONS				
	<p>PROVISIONS</p> <p>Audit finding:</p> <p>10. The municipality did not include all landfill sites in their provision for environmental rehabilitation in accordance GRAP 19 provisions, contingent liabilities and contingent assets. I was unable to determine the full extent of the misstatement of the provision for the environmental rehabilitation of landfill sites of R15 963 099 (2014: R15 874 545) as disclosed in the statement of financial position and note 10 to the financial statements as it</p>	<p>EX REF 152 Madikwe land fill sites was not included in the calculation of the land fill sites.</p> <p>Comment</p> <p>In 2011/2012 the municipality made presentation to AG that Madikwe landfill site should only be provided once become operational, it was an oversight not to include Madikwe land fill site for provision calculation when it became operational in the 2014/2015</p>	<ol style="list-style-type: none"> 1. Appoint the professor to conduct the environmental assessment at Madikwe 2. Submit assessment report done by the professor to auditor for review 3. Provide for Madikwe landfill side in the 2015/2016 financial statements 	<p>HOU: Expenditure & budget and HOD: ITS and CFO</p>	<p>28 FEB 2016</p> <p>31 MAY 2016</p>

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	was impracticable to do so.				30 JUNE 2016
13	<p>Audit finding:</p> <p>13.As disclosed in note 39 to the financial statements, unauthorised expenditure of R6 291 848 was incurred in the current year</p>	<p>REF-Note 39</p> <p>The municipality incurred an unauthorized expenditure on the Council vote due to the provision of leave as well as depreciation on computer software.</p>	The unauthorized expenditure will be investigated and dealt with in terms of the circular 68 of the MFMA	<p>Acting HOU: Internal audit</p> <p>MPAC</p> <p>CFO</p>	28 February 2016

A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
14	As disclosed in note 40 to the financial statements, fruitless and wasteful expenditure of R408 848 was incurred in the current year and fruitless and wasteful expenditure from prior years of R9 703 835 had not yet been dealt with in accordance with section 32 of the MFMA.	<p>REF-40</p> <p>The amount relates interest on Eskom as well as the expenditure incurred on the construction of the hall in an unproclaim land</p> <p>Interest</p>	A follow up will be made with the chairperson of MPAC to finalise the matter and submit the report to council.	<p>CFO</p> <p>HOU Internal Audit</p> <p>Accounting officer</p>	20 February 2016

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		<ul style="list-style-type: none"> Investigation were conducted by internal audit, to quantify the recoverability. Engagement with Eskom has commence Arrangement has been made with Eskom to service the accounts through a debit order to avoid penalties. <p>Hall in Sefikile</p> <p>The contract has been terminated</p>			29 April 2016
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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE						
15	<p>Audit finding:</p> <p>15. As disclosed in note 35 to the financial statements, the corresponding figures for 30 June 2014 have been restated as a result of an error discovered during 2015 in the financial statements of the Moses Kotane Local Municipality at, and for the year ended, 30 June 2014.</p>	<p>REF NOTE 35</p> <p>EX 6 Prior period errors</p> <ul style="list-style-type: none">• VAT adjustment on the provision of bad debts of R15.34 million• Adjustment on assets values and depreciation• Creditors payment of R 2,0• Adjustment to other receipts• VAT received for prior year• Debtors adjustment	<p>Develop the action plan on the preparation of the financial statements and submit to internal audit for review.</p> <table><tr><th>Exception</th><th>Action Plan</th><th>Implementation date</th></tr><tr><td>Ex.19</td><td>Frist set</td><td>Mid-March 15</td></tr></table>	Exception	Action Plan	Implementation date	Ex.19	Frist set	Mid-March 15		
Exception	Action Plan	Implementation date									
Ex.19	Frist set	Mid-March 15									

	Interim audit	July 2016
	Technical review	15 August 16
	Audit committee review	25 August 16

	<p>Comments</p> <p>The above relates to the following;-</p> <ul style="list-style-type: none">• VAT was included in the provision for doubtful debts, and also relate to the debt emanated from the previous system which the detailed link could not be accounted since the Audit manager was new and was not available when the matter was migrated to the new system.• Adjustments on assets values were due the changes in the assets class from movable to immovable.• Creditor's payment relates to the payment which were paid in the current using the prior year vote since they were received after the submission of the AFS.• Adjustments to other receipts relates to receipts which were classified as capital expenditure and not operational and long term debt from Public works• VAT relates to the amount received from SARS in the current year which relates to prior years.• Debtors were adjusted due to the fact that the it was stated inclusive with the VAT e.g. R15 Million VAT	<p>HOU: Expenditure & budget and CFO & HOU: Internal Audit</p>
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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
20	<p>Audit finding:</p> <p>20. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected development priority presented in the annual performance report of the municipality for the year ended 30 June 2015:</p> <ul style="list-style-type: none"> • Development priority: Infrastructure and technical services on pages x to x 	<p>Par 20,21,22,23,24,25,26,27,29</p> <p>Usefulness, reliability, indicators not well defined</p> <p>EX 13 ,11,12,14,6</p> <p>Performance information against the overall criteria of usefulness and reliability could not be confirmed</p> <p>Comments</p> <p>Due to time frame the municipality did not engaged AG after the review of the audit findings on PMS, IDP SDBIP queries.</p>	<p>As agreed during the audit the municipality will invite AG during its strategic planning to assist in ensuring the KPIs meet the smart criteria and filling the appropriate evidence</p>	<p>HOU: PMS</p> <p>All HOD'S</p> <p>Accounting Officer</p>	<p>Strategic session with AG 28 February 2016</p> <p>Revised SDBIP to be considered in March 2016 by council</p> <p>April 2016 submission of performance Audit to Audit committee</p> <p>Interim audit may 2016</p>
21	<p>Audit finding:</p> <p>21. I evaluated the reported</p>	<p>Par 20,21,22,23,24,25,26,27,29</p> <p>Usefulness, reliability, indicators</p>			

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	performance information against the overall criteria of usefulness and reliability.	not well defined EX 13 ,11,1214,6 Performance information against the overall criteria of usefulness and reliability could not be confirmed Comments Due to time frame the municipality did not engaged AG after the review of the audit findings on PMS, IDP SDBIP queries.			
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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
22	Audit finding: 22. I evaluated the usefulness of the	Par 20,21,22,23,24,25,26,27,29 Usefulness, reliability, indicators not	As agreed during the audit the	HOU: PMS	Strategic session with AG 28 February 2016

Chapter 6

	<p>reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned development priorities. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPPI).</p>	<p>well defined</p> <p>EX 13 ,11,1214,6</p> <p>Performance information against the overall criteria of usefulness and reliability could not be confirmed</p> <p>Comments</p> <p>Due to time frame the municipality did not engaged AG after the review of the audit findings on PMS, IDP SDBIP queries.</p>	<p>municipality will invite AG during its strategic planning to assist in ensuring the KPIs meet the smart criteria and filling the appropriate evidence</p>	<p>All HOD'S</p> <p>Accounting Officer</p>	<p>Revised SDBIP to be considered in March 2016 by council</p> <p>April 2016 submission of performance Audit to Audit committee</p> <p>Interim audit may 2016</p>
23	<p>Audit finding:</p> <p>23. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.</p>	<p>Par 20,21,22,23,24,25,2627,29</p> <p>Usefulness, reliability, indicators not well defined</p> <p>EX 13 ,11,1214,6</p> <p>Performance information against the overall criteria of usefulness and reliability could not be confirmed</p>			

Chapter 6

		Comments Due to time frame the municipality did not engaged AG after the review of the audit findings on PMS, IDP SDBIP queries.			
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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
24	Audit finding: 24. The material findings in respect of the selected development priority are as follows: Development priority: Infrastructure and technical service	Par 20,21,22,23,24,25,26,27,29 Usefulness, reliability, indicators not well defined EX 13 ,11,12,14,6 Performance information against the overall criteria of usefulness and reliability could not be confirmed Comments Due to time frame the municipality did not engaged AG after the review of the audit findings on PMS, IDP	As agreed during the audit the municipality will invite AG during its strategic planning to assist in ensuring the	HOU: PMS All HOD'S	Strategic session with AG 28 February 2016

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		SDBIP queries.	KPIs meet the smart criteria and filling the appropriate evidence	Accounting Officer	
25	USEFULNESS OF REPORTED PERFORMANCE INFORMATION Audit finding: Section 41(c) of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) requires the integrated development plan (IDP) to form the basis for the annual performance report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 69%, 86% and 90% of the reported objectives, indicators and targets in the annual performance report were not consistent with those in the approved IDP. This was due to a lack of information systems recording and documenting actual achievements against targets.	Par 20,21,22,23,24,25,26,27,29 Usefulness, reliability, indicators not well defined EX 13 ,11,12,14,6 Performance information against the overall criteria of usefulness and reliability could not be confirmed Comments" Due to time frame the municipality did not engaged AG after the review of the audit findings on PMS, IDP SDBIP queries.			Revised SDBIP to be considered in March 2016 by council April 2016 submission of performance Audit to Audit committee Interim audit may 2016
A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
26	Audit finding:	Par 20,21,22,23,24,25,26,27,29	As agreed during the audit the	HOU: PMS	Strategic session with

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	<p>26. The FMPPi requires that indicators be well defined and verifiable and targets be specific, measureable and time bound:</p> <ul style="list-style-type: none"> • A total of 80% of the targets were not specific. • The required performance for 83% of the targets could not be measured. • A total of 83% of the targets were not time bound. • A total of 81% of the indicators were not well defined. • A total of 81% of the indicators were not verifiable. <p>This was because management was not trained in the FMPPi requirements and proper technical data descriptions for indicators were not specified. Furthermore a proper system to collect core data on a consistent basis and a process to analyse this information was not in place.</p>	<p>Usefulness, reliability, indicators not well defined</p> <p>EX 13 ,11,1214,6</p> <p>Performance information against the overall criteria of usefulness and reliability could not be confirmed</p> <p>Comments</p> <p>Due to time frame the municipality did not engaged AG after the review of the audit findings on PMS, IDP SDBIP queries.</p>	<p>municipality will invite AG during its strategic planning to assist in ensuring the KPIs meet the smart criteria and filling the appropriate evidence</p>	<p>All HOD'S</p> <p>Accounting Officer</p>	<p>AG 28 February 2016</p> <p>Revised SDBIP to be considered in March 2016 by council</p> <p>April 2016 submission of performance Audit to Audit committee</p> <p>Interim audit may 2016</p>
A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE

27	<p>RELIABILITY OF REPORTED PERFORMANCE INFORMATION</p> <p>Audit finding:</p> <p>27. The FMPPi requires department to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the reported performance information. This was due to a lack of standard operating procedures for the accurate recording of actual achievements, a lack of technical indicator descriptions for the accurate measurement, recording and monitoring of performance and the fact that the municipality could not provide sufficient appropriate evidence in support of the reported performance information.</p>	<p>Par 20,21,22,23,24,25,26,27,29</p> <p>Usefulness, reliability, indicators not well defined</p> <p>EX 13,11,12,14,6</p> <p>Performance information against the overall criteria of usefulness and reliability could not be confirmed</p> <p>Comments</p> <p>Due to time frame the municipality did not engaged AG after the review of the audit findings on PMS, IDP SDBIP queries.</p>	<p>As agreed during the audit the municipality will invite AG during its strategic planning to assist in ensuring the KPIs meet the smart criteria and filling the appropriate evidence</p>	<p>HOU: PMS</p> <p>All HOD'S</p> <p>Accounting Officer</p>	<p>Strategic session with AG 28 February 2016</p> <p>Revised SDBIP to be considered in March 2016 by council</p> <p>April 2016 submission of performance Audit to Audit committee</p> <p>Interim audit may 2016</p>
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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
29	<p>ACHIEVEMENT OF PLANNED TARGETS</p> <p>Audit findings:</p> <p>29. Refer to the annual performance report on pages XX to XX and XX to XX for information on the achievement of the planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information for the selected development priorities reported in paragraphs 25 to 27 of this report.</p>	<p>Par 20,21,22,23,24,25,26,27,29</p> <p>Usefulness, reliability, indicators not well defined</p> <p>EX 13 ,11,12,14,6</p> <p>Performance information against the overall criteria of usefulness and reliability could not be confirmed</p> <p>Comments</p> <p>Due to time frame the municipality did not engaged AG after the review of the audit findings on PMS, IDP SDBIP queries.</p>	<p>As agreed during the audit the municipality will invite AG during its strategic planning to assist in ensuring the KPIs meet the smart criteria and filling the appropriate evidence</p>	<p>HOU: PMS</p> <p>All HOD'S</p> <p>Accounting Officer</p>	<p>Strategic session with AG 28 February 2016</p> <p>Revised SDBIP to be considered in March 2016 by council</p> <p>April 2016 submission of performance Audit to Audit committee</p> <p>Interim audit may 2016</p>

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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE												
32	<p>ANNUAL FINANCIAL STATEMENTS AND ANNUAL REPORT</p> <p>Audit finding:</p> <p>32. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of non-current assets and current assets, liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected , but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.</p>	<p>EX 19</p> <p>The municipality were allowed to make changes after the submission on the 31 August 2015</p>	<p>Develop the action plan on the preparation of the financial statements and submit to internal audit for review.</p> <table><thead><tr><th>Exception</th><th>Action Plan</th><th>Implementation date</th></tr></thead><tbody><tr><td rowspan="4">Ex.19</td><td>Frist set</td><td>Mid-March 15</td></tr><tr><td>Interim audit</td><td>July 2016</td></tr><tr><td>Technical review</td><td>15 August 16</td></tr><tr><td>Audit committee review</td><td>25 August 16</td></tr></tbody></table> <p>HOU: Expenditure & budget and CFO & HOU: Internal Audit</p>	Exception	Action Plan	Implementation date	Ex.19	Frist set	Mid-March 15	Interim audit	July 2016	Technical review	15 August 16	Audit committee review	25 August 16		
Exception	Action Plan	Implementation date															
Ex.19	Frist set	Mid-March 15															
	Interim audit	July 2016															
	Technical review	15 August 16															
	Audit committee review	25 August 16															
33	<p>Audit finding:</p>	<p>The annual report was tabled in February 2015 thus non-</p>	<p>The finding relates to the prior year and will not be repeated in the</p>	<p>HOU: Expenditure &</p>	<p>31 March 2016</p>												

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	33. The 2013-14 annual report was not tabled in the municipal council within seven months after the end of the financial year, as required by section 127(2) of the MFMA.	compliance with section 127(2) of the MFMA	current year	budget and CFO	
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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
34	<p>STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT</p> <p>Audit finding:</p> <p>34. The service delivery and budget implementation plan (SDBIP) for implementing the municipality's delivery of municipal services and annual budget did not indicate projections for each month of the revenue to be collected, by source and the operational and capital expenditure, by vote and service delivery targets and performance indicators for each</p>	<p>The 2014/2015 SDBIP did not include the projections for each month of the revenue to be collected, by source, operational and capital expenditure by vote.</p>	<p>Revised SDBIP to be considered in March 2016 by council will include budget projections</p>	<p>All department</p>	<p>31 March 2016</p>

	quarter as required by section 1 of the MFMA.				
35	<p>Audit finding:</p> <p>The annual performance report for the year under review did not include reliable measures taken to improve performance, as required by section 46(1)(c) of the MSA</p>	The PMS did not highlight measure to be taken for poor performance	The finding relates to the prior year and will not be repeated in the current year	All departments	<p>Ongoing with effect</p> <p>Mid-March</p>
36	<p>The performance management system and related controls were inadequate as it did not describe and represent the processes of performance planning, monitoring, measurement, review, reporting and improvement and how it is conducted, organised and managed, including determining the roles of the different role-players, as required by section 38 of the MSA and regulation 7 of the MPPMR.</p>	The PMS did not highlight challenges with regard implementation of the Municipal PMS			

A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
37	AUDIT COMMITTEE Audit finding: 37. The audit committee did not advise the council and accounting officer on matters relating to the adequacy, reliability and accuracy of financial reporting and information, as required by section 166(2)(a)(iv) of the MFMA.	The audit committee did not advise council and the accounting officer on the reliability if the financial information Comment The Financial statement were submitted late to Audit committee due to delay in the finalisation of the assets journals thus not enabling them to execute their responsibilities	The dates of the audit committee meeting are in corporate calendar wherein the audit committee will advise management on matters relating to the adequacy, reliability and accuracy of financial reporting and information.	HOU Internal Audit and Accounting officer	As per corporate calendar schedules
38	Audit finding: 38. The audit committee did not review the annual financial statements to provide the council with an authoritative and credible view of the	The audit committee did not review the annual financial statements to provide the council with an authoritative and credible view of the financial positfon of the entity, its efficiency and effectiveness and	Develop the action plan on the preparation of the financial statements and submit to internal audit for review.		
			Exception	Action Plan	Implementation

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financial position of the entity, its efficiency and effectiveness and its overall level of compliance with legislation, as required by section 166(2)(b) of the MFMA.	its overall level of compliance with legislation, as required by section 166(2)(b) of the MFMA		date	
		Ex.19	Frist set	Mid-March 15
			Interim audit	July 2016
			Technical review	15 August 16
			Audit committee review	25 August 16
HOU: Expenditure & budget and CFO & HOU: Internal Audit				

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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
39	The audit committee did not respond to the council on the issues raised in the audit reports of the Auditor-General, as required by section 166(2)(c) of the MFMA.	<p>REF EX 3</p> <p>The audit committee did not respond to the council on the issues raised in the audit reports of the Auditor-General, as required by section 166(2)(c) of the MFMA.</p> <p>Comment</p> <p>Audi committee did review the performance and issues raised during the year 2014/2015, however they were not afforded a slots in the council to present their oversight report on PMS</p>	In 2015/2016 Council approved scheduled meeting dates wherein Audit committee will present their oversight report.	HOU Internal Audit and Accounting Officer	As per Council schedules
40	The audit committee did not review the municipality's performance management system and make recommendations to the council, as required by regulation 14(4)(a)(ii) of the	<p>REF EX 3</p> <p>The audit committee did not review the municipality's performance management system and make recommendations to the</p>			

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MPPMR	council, Comment Audi committee did review the performance during the year 2014/2015, however they were not afforded a slots in the council to present their oversight report on PMS			
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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
41	The audit committee did not submit, at least twice during the financial year, an audit report on the review of the performance management system to the council, as required by regulation 14(4)(a)(iii) of the MPPMR.	REF EX 3 The audit committee did not submit, at least twice during the financial year, an audit report on the review of the performance management system to the council Comment Audi committee did review the performance during the year 2014/2015, however they were	In 2015/2016 Council approved scheduled meeting dates wherein Audit committee will present their oversight report.	HOU Internal Audit and Accounting Officer	On-going from End of February 2016 Meeting dates:

		not afforded a slots in the council to present their oversight report on PMS			
42	CONSEQUENCE MANAGEMENT Audit finding: 42. Unauthorised, irregular, fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2) (a) (ii) of the MFMA.	Unauthorised, irregular, fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2) (a) (ii) of the MFMA.	Unauthorised, irregular, fruitless and wasteful expenditure register will be updated on monthly basis and will become agenda items on a monthly senior management meeting.	Accounting officer	Ongoing 26 February 2016

A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
43	CONDITIONAL GRANTS Audit finding: 43. The municipality did not evaluate its performance in	The municipality did not evaluate its performance in respect of programs or functions funded by the allocation within two months after the end of the financial	A file for all grants will be developed and maintain	CFO	28 February 2016

	respect of programmes or functions funded by the Municipal Systems Improvement Grant and the Local Government Financial Management Grant allocations, as required by section 12(5) of the DoRA	year			
		Comments Quarterly report are submitted to national treasury within 30 days after the end of each quarter. Miscommunication during the Audit.			
44	EXPENDITURE MANAGEMENT Audit finding: 44. Reasonable steps were not taken to prevent unauthorised, irregular and fruitless and wasteful expenditure, as required by section 62(1) (d) of the MFMA.	The municipality disclosed as per note 40 the fruitless and wasteful expenditure of R408 868 in the current year and 9 Million in the prior year.	A register of fruitless and wasteful expenditure was opened and will be presented to MPAC for accountability	CFO	Ongoing with effect end of 28 February 2015
45	HUMAN RESOURCES Audit finding: 45. The competencies of the senior managers were not assessed in a timely manner in order to identify and address gaps in competency levels as required by regulation 13 of the	AG Finding REF EX 144-Senior manager's minimum competency level not met. Comments All senior managers and key	All senior managers are undergoing the MFMP training for competency level.	HOD CORPORATE (acting HOD corporate)	30 June 2016

Chapter 6

	Municipal Regulations on Minimum Competency Levels.	officials were still undergoing the competency levels			
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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
46	<p>Audit finding:</p> <p>46. The municipality did not submit a report on compliance with prescribed competency levels to the National Treasury and relevant provincial treasury as required by regulation 14(2)(a) of the Municipal Regulations on Minimum Competency Levels.</p>	<p>EX 142.</p> <p>No competency assessment done for financial officials, and no report was submitted to National Treasury by 30 January 2015 and 30 July 2015.</p> <p>Comment</p> <p>This was an oversight from the municipality to submit within the stipulated time, however these report were submitted to different stakeholders such as provincial treasury and COGTA.</p>	<p>To open a file where all proof of submitting will be kept</p>	<p>HOD CORPORATE (Acting HOD Corporate)</p>	<p>On-going</p>

47	<p>PROCUREMENT AND CONTRACT MANAGEMENT</p> <p>Audit finding:</p> <p>47. Sufficient appropriate audit evidence could not be obtained that bid specifications for procurement of goods and services through competitive bids were drafted in an unbiased manner that allowed all potential suppliers to offer their goods or services, as per required by SCM regulation 27(2)(a).</p>	<p>REF EX 137</p> <p>Bid specification were compiled in an unbiased manner.</p> <p>Comment</p> <p>This was recorded not as a factual finding, due to time frame the matter was not cleared.</p>	To open a file where all proof will be kept	Acting HOU: SCM and CFO and HOU Legal Services	On-going
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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
48	<p>Audit finding:</p> <p>48. Sufficient appropriate audit evidence could not be obtained that bid specifications were drafted by bid specification committees which were composed of one or more officials of the municipality as required by SCM regulation 27(3).</p>	<p>REF EX 137</p> <p>Bid specification committee minutes were not submitted as evidence that it was compiled by the bid specification committee comprising of one or more officials of the municipality</p> <p>Comment</p> <p>Due to time frame the matter was never presented to the AG for clearing.</p>	To open a file where all proof will be kept	Acting HOU: SCM and CFO and HOU Legal Services	On-going
49	<p>Audit finding:</p> <p>49. Contracts were awarded to bidders that did not score the highest points in the evaluation process, as required by section 2(1)(f) of Preferential Procurement Policy Framework Act.</p>	<p>EX 136</p> <p>During the awarding of the tender the bidder was never disqualified for submitting the outstanding rates and taxes account.</p>	To open a file where all proof will be kept	Acting HOU: SCM and CFO and HOU Legal Services	On-going

Chapter 6

		Comment Due to time frame the matter was never presented to the AG for clearing.			
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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
50	Audit finding: 50. Awards were made to providers who are in the service of other state institutions or whose directors or principal shareholders are in the service of other state institutions, in contravention of section 112(j) of the MFMA and SCM regulation	EX 137 Interest in suppliers. The municipality entered into procurement with people in the service of the state including our own officials. Comment The municipality does not have the systems to identify if suppliers are in the service of the state but rely on the declaration of interest forms that are supplied to us whenever procurement is made.	The municipality will engage SSA to assist in clearing the database form of the officials listed in our database	Acting HOU: SCM and Corporate Director and HOU Legal Services	Done quarterly with effect March 2016

51	ENVIRONMENTAL MANAGEMENT Audit finding: 51. The municipality did not exercise its legislative and executive authority as required by the section 11(3)(l) and (m) of the MSA by managing, monitoring and enforcing environmental related bylaws to promote a safe and healthy environment	Background Environmental Management by-law public participation was, however the policy still needs to be gazetted Air Quality Management by-law was developed and noted by the portfolio committee, however the policy still needs to be submitted to Council to approve public participation.	Facilitate and finalise the process of gazetting the Environmental Management By-law Facilitate the process of submitting the Air Quality Management by-law policy to Council to approve public participation.	HOU Community Services (HOD COMMUNITY SERVICES) and HOU Environment (HOU ENVIRONMENT)	29 April 2016

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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
52	Audit finding: 52. The municipality operated its waste disposal sites and wastewater treatment facilities without a license in contravention of section 20(b) of the National Environmental Management Waste Act, 2008 (Act No. 59 of 2008) (NEMWA), section 24(2) (a) of the National Environmental Management Act, 1998 (Act No. 107 of 1998) (NEMA) and section 22(1)(b) of the National Water Act, 1998 (Act No. 36 of 1998) (NWA).	<p>Background</p> <p>Department of Water & Sanitation received the water licence with the following were recommended:</p> <ul style="list-style-type: none"> • The civil design aspects of the water use licence application have not been adequately addressed. • Issuance of a water use licence is therefore not supported at this stage. • It is recommended that a meeting be scheduled with the applicant and their civil engineer as soon as possible in order to confirm the scope of the project and to clarify requirements of the Department. 	The municipal team and Mr Phillip Tjale (Department of Water & Sanitation) will meet 29/- 01/16 to clear the matter raised regarding the licence.	HOD INFRASTRUCTURE AND TECHNICAL SERVICES	29 January 2016 and on-going until the approval of the license

A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
53	Audit finding: 53. The municipality's operational activities at its waste disposal sites and wastewater treatment facilities contravened or failed to comply with the regulatory norms and standards as required by sections 67(1)(f) and (h) of the NEMWA and section 151(1)(c) and (i) of the NWA.	Audit finding: 53. The municipality's operational activities at its waste disposal sites and wastewater treatment facilities contravened or failed to comply with the regulatory norms and standards as required by sections 67(1)(f) and (h) of the NEMWA and section 151(1)(c) and (i) of the NWA.	Facilitate and finalise the process of gazetting the Environmental Management By-law Facilitate the process of submitting the Air Quality Management by-law policy to Council to approve public participation.	HOU Community Services (HOD COMMUNITY SERVICES) and HOU Environment (HOU ENVIRONMENT)	29 January 2016
54	Audit finding: 54. The municipality's waste management and disposal activities contravened or failed to comply with the requirements of section 28(1) of the NEMA, section 19 of the NWA and sections 16(1)(c) and (d) and 26(1)(b) of the NEMWA.	Audit finding: 54. The municipality's waste management and disposal activities contravened or failed to comply with the requirements of section 28(1) of the NEMA, section 19 of the NWA and sections 16(1)(c) and (d) and 26(1)(b) of the NEMWA.	The municipal team and Mr Phillip Tjale (Department of Water & Sanitation) will meet 29/01/16 to clear the matter raised regarding the licence	HOD INFRASTRUCTURE AND TECHNICAL SERVICES	29 January 2016 and on-going until the approval of the license
55	HOU INTERNAL AUDIT Audit finding: 55. I considered	Audit finding: 55. I considered internal control relevant to my audit of the financial	The municipality has revised the three year risk based internal audit plan,	HOU	The plan will be approved by the Audit Committee by January

Chapter 6

internal control relevant to my audit of the financial statements, the annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.	statements, the annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.	which will cover compliance to legislations, the annual performance report, follow up on issues raised by AG etc.	INTERNAL AUDIT,	2016	The implementation and monitoring of the plan is on-going with effect March 2016.
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A.R PAR	PARAGRAPH EXTRACT	FINDINGS RAISED	ACTION TO BE IMPLEMENTED	RESPONSIBLE PERSON	IMPLEMENTATION DATE
56	MAYOR Audit finding: 56. Leadership did not adequately exercise their oversight responsibility regarding financial and performance reporting, compliance with legislation as well as related internal controls.	Audit finding: 56. Leadership did not adequately exercise their oversight responsibility regarding financial and performance reporting, compliance with legislation as well as related internal controls.	A schedule for one on one sessions was developed to assess the performance.	Mayor	Ongoing with effect January 2016

57	FINANCIAL AND PERFORMANCE MANAGEMENT Audit finding: 57. Controls to ensure that information in the financial statements and the report on predetermined objectives were reliable before submission for audit were ineffective.	Audit finding: 57. Controls to ensure that information in the financial statements and the report on predetermined objectives were reliable before submission for audit were ineffective.	Develop the action plan on the preparation of the financial statements and submit to internal audit for review.														
			<table><tr><th>Exception</th><th>Action Plan</th><th>Implementation date</th></tr><tr><td rowspan="4">Ex.19</td><td>Frist set</td><td>Mid-March 15</td></tr><tr><td>Interim audit</td><td>July 2016</td></tr><tr><td>Technical review</td><td>15 August 16</td></tr><tr><td>Audit committee review</td><td>25 August 16</td></tr></table>			Exception	Action Plan	Implementation date	Ex.19	Frist set	Mid-March 15	Interim audit	July 2016	Technical review	15 August 16	Audit committee review	25 August 16
Exception	Action Plan	Implementation date															
Ex.19	Frist set	Mid-March 15															
	Interim audit	July 2016															
	Technical review	15 August 16															
	Audit committee review	25 August 16															
			HOU: Expenditure & budget and CFO														
58	GOVERNANCE Audit finding: 58. The effectiveness of the audit committee was compromised due to the recommendations made by HOU Internal Audit not being fully implemented.	EX-58 Management did not implement internal audit recommendations on different reports issued thereby compromising the Audit committee.	All internal audit report and will become agenda items on a monthly senior management meeting.	Accounting Officer	Ongoing with effect Mid-February 2016												

GLOSSARY

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give "full and regular" reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe "what we do".
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development

GLOSSARY

	<ul style="list-style-type: none"> • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p>

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b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned

APPENDICES

APPENDIX A – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Disposal committee	Disposal of municipal assets
Labour relations committee	To harmonise relationship between management and employees
ICT Steering committee	To monitor the progress of the ICT service provider
Events and management committee	Coordination of all municipal events
Audit committee	To provide the oversight role and monitoring of annual financial statements and performance information
Bid committees: Specification , Evaluation and Adjudication	To ensure all SCM and MFMA regulations are adhered to, for awarding of tenders
IDP steering committee	To coordinate/gather information required to develop/review of the IDP

APPENDIX B –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Department	Head of Department/Manager (State title and name)
Municipal Manager's Office	Mr PP Shikwane
Corporate Services	Ms T. Jalvan
Planning and Development	Mr A Sefanyetso
Budget and Treasury Office	Ms O Ndlovu
Community Services	Mr C Molokoane
Infrastructure and Technical Services	Mr T. Chiloane

APPENDIX C – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution	No	No
Building regulations	Yes	No
Child care facilities	No	No
Electricity and gas reticulation	No	No
Firefighting services	No	No
Local tourism	Yes	No
Municipal airports	No	No
Municipal planning	Yes	No
Municipal health services	No	No
Municipal public transport	No	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	No
Stormwater management systems in built-up areas	Yes	No
Trading regulations	Yes	No
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	No
Beaches and amusement facilities	No	No
Billboards and the display of advertisements in public places	Yes	No
Cemeteries, funeral parlours and crematoria	Yes	No
Cleansing	Yes	No
Control of public nuisances	Yes	No

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Control of undertakings that sell liquor to the public	No	No
Facilities for the accommodation, care and burial of animals	No	No
Fencing and fences	No	No
Licensing of dogs	No	No
Licensing and control of undertakings that sell food to the public	No	No
Local amenities	Yes	No
Local sport facilities	Yes	No
Markets	No	No
Municipal abattoirs	No	No
Municipal parks and recreation	Yes	No
Municipal roads	Yes	No
Noise pollution	Yes	No
Pounds	No	No
Public places	Yes	No
Refuse removal, refuse dumps and solid waste disposal	Yes	No
Street trading	Yes	No
Street lighting	Yes	No
Traffic and parking	Yes	No

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APPENDIX D – WARD REPORTING

Functionality of Ward Committees						
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Ward Committee Members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
1	Hazel Ramokopelwa	Sephoti Ryme Tebogo Matlapeng W.B Lerato Mekgwe Mogapi Martha.N Tunzi H.M Diale James Nageng Edith Botshelo Lydia Ramerafe Barbra Karabo Molefe	Yes	12	5	12
2	Moyo Florah	Bogatsu Nono Sara Dithate Ntutu Reuben Dubazana B.N Molapisi Mpho M Molefe Caroline K Morebantwa Neo M Motswagosele Michael Lesomo L.P Mokone Daniel	Yes	12	3	12

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3	Pule Mkhandawiri	Thiti Johannah Thonoki Tlhagwane Rebecca Kgame Makgamanyane Suzan Gideon Sekano Manopolo Patricia Setlogelo Solomon Maropeng Labius Fono Legodi Rebecca Kenetswe Pooe Lesego S Edward Manyako	Yes	12	5	12
4	Nhlapo Lindiwe	Mosime Ōbed Mosime Mokobe Dimakatso Johanna Monnana Patrick I Mooketsi T.M Mofokeng Ratala S Sekgabi R.M Ngakane Sekgele Isaac M.M. Ramekwa Poloko Lesomo	Yes	12	6	12
5	Tau Dipuo	Moatshe Masellane Bernard Kgwehane Mary M Motlhabi R Simon Sibanda M.M Banda Solomon Seema Diale Jacobeth Rebecca Maru Mmebe Kelebogile Molefe	Yes	12	4	12

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6	Moloi Ntsebeng	<p>Lesolebe Bogoko Marcus Lesolebe Mmampho Doricca Dibotelo Seapei Khunou B.E Mtengezo Ashon Wilson Kgokong Irene Dikeledi Ngobeni Doris Mafanato Karel Sedile Tau Cathrine Setshego Sekano Grace Ineeleng</p>	Yes	12	5	12
7	Saltiel Ntshabele	<p>Mogapi Rosinah Kabakae Ngqukutu Vuyiseka Zifunele Vuyiswa Charity Modise Goso Nokuzola Grace Baleni Sithembiso Martha Koopedi Madigu Bunny Rasephei G.M</p>	Yes	12	2	12

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8	Daniel Motsomi Leoto	Moeng Meme Rebecca Leoto Josphine Tsholofelo Dipuo Molefe Dlamini Amen Mtheleli Mampu Rosina Shiela Diatshwana Gaitsemang Mack Masilela Refilwe Velecia Modise E.G Masule Anna Naledi Mogalefi Koketso Moses	Yes	12	1	12
9	Motshegoa Pinky	Modise Kgantshang Daphney Motshegwe Yvonne Eva Phefo Monicah Ntoagae Lucky William Lucas Kalaba TA Thebyane Elizabeth Mankhela Sophy Mokotedi Pilane Tshimane Sebele Benjamin	Yes	12	9	12

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10	Zitha Lerato	<p>Ntsimane George Otto Ikaneng Wonder Paul Mpasha N.Z Kgomo Joyce Kgware Morebula Evon Ramontsho Joas Senku Thakadu Phenyio Clement Khumalo Kagiso Selomon Kganakga M.D Pile Tshegofatso Naomi</p>	Yes	12	3	12
11	Nono Matshereng	<p>Tshintso Seth Fretie Ramokoka Maalosa Caesar Mphela Mamiki Johanna Mphela Violet Monagane Bafedile Segone Kenyaditse Magdeline Moatshe Thapelo Calvin Moatshe Ditlhoriso Johanna Maledu Wilhemina Dikeledi Mancha Molemi Masekata Lena</p>	Yes	12	4	12

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12	Ramokoka Aaron	<p>Maponyane William Motsosi Tshoma Mbsidi Louisa Songo Kedibone Marriam Mosito Baleseng Magdeline Motingwe Johanna Mampuseng Tapala Madumetja John Desmond Ramokoka Dire Mampharafara Peter Mpudi Dinah Dipuo</p>	Yes	12	6	12
13	Mothaga Ruth	<p>Nelly Moloi Nkwe Queen Keorapetse Ntshole Radibe Molatlhegi Cornelius Tshenye Dorothy Molelekeng Lethabo Joyce Matshana Mantoa Margaret Ratsela Geoffrey Ramokwena Siko Dikeledi Esther Jerry Ntshabele</p>	Yes	12	1	12
14	Jafta Lebogang Masilo	<p>Morake Thabo Joshua Meshack Monnagotla Kodisang Tumagole Stephen Mbopo Sarah Julia Loeto Lesang Lawrence Moyo Basebi Daphney Koitsiwe Kgomotso Jacqueline</p>	Yes	12	9	12

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15	Letlape Abednico Tshwenyego	Radebe Dumazile Johannah Peggy Dube Balatseng Dorothy Moanakwa Mmabatho Irene Phaladi Mabosheke Salome Serunye Louisa Nana Morobe Ezekieli Masilo Mfolwe Glad Lerato Kgengwe Taote Israel Dibobo Constance Sibanda Siangiso	Yes	12	10	12
16	Pheto Rose	Moshashe Modiegi Anna Mogale Baleseng Joyce Serole Claudina Lesego Seemise Peter Mokowe Molefe John MA Mathibe MS Makgale Maunatlala Nokila Thomas Mampane Ditshebo Batseba Mabe Elizabeth Queen	Yes	12	5	12

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17	Manganye Bushy Solomon	Motlhatswe P.M Fani Nkoki Esther Letsholo Moitsheki Reginah Maloba D.D Molefe G.J Mafotsa Juri Lesejane Peter Matlapeng Mabusela Kgomoiso Comfort Ruele Lesobe Lion Ledoaba Lesetja Benedict	Yes	12	10	12
18	Radiokana Mamikie	Rankoa Sylvia Keisang Lesejane Hana Molefe Kabelo Johannes Mosome Carol Phege Lebogang Mary Motlhabane Mpoko Richard Joseph Ramoni Madubung Elsie Dibethe Lephoi Johanna	Yes	12	7	12
19	Kgothatso Kodongo	Thomelo Violet Tshidi Masoko Jooste Tsibela Kodongo Harry Kgothatso Selebogo George Keorapetse Letsholo Christina Keitumetse Mekgwe Mabokgola Geniffer Mothobi Mmolawa Matabane Catherine Motaung Annie	Yes	12	4	12

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20	Tshetlhane Dithothi (Exco Member)	Senne Nchane Pauline Komane Nakedi Klaas Letsholo Beauty Mantsho Matsafu Shimane Alfred Tlholwe Kesalegone Mirriam Matsafu Rinah Mmadikhu Senneloe Ruth Semakaleng Lesele Andrew Tolwe Ramasita Odirile Moses Magoleng Rosinah Dikgothi	Yes	12	6	12
21	Sipho Vava (MPAC Chairperson)	Motlalepule Tagobe Emma Phepheng Angelina Molete Mabote Dorothy Ikgopoleng Letswamotse Agnes Tsholofelo Kgasoane Marry Mmoni Galeamiwe Doris Sinah Herman Molete Tshepo Khumalo	Yes	12	6	12
22	Mita Khutsafalo Khunou	Phefo Monicah Seaketso Mpho Mosito Jonas Monkwe Maria Poonyane Elizabeth Masilo Johannes Thapelo Khunou Motsei Beauty Mbewe Ntifi Dapney Ramatlhape Mpho Sarah Sello Thabo Eric	Yes	12	10	12

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23	Nkotsoe Nketu (Exco Member)	Bogatsu Lizzie Masiangwako Johanna Thondwane D.I Mosime Hilda Mokgoebi Jane Kate Mopedi Jane Mokgosi Tshidiso Grace Tsokodibane Nthabiseng Makgotlhwe Grace Gadifele Ramokgadi	Yes	12	2	12
24	Magodiello Abish	Madimabe S. Deborah Mosidi G. Lazarus Sekao N.S Kau Prudence Tshepo Maake Rosina Ofina Mogapi Keoagile Peter Seeletso Jane Lesego Anna Mmatshenko Koitsiwe Motsisi Linki Caroline Mmamane Mosime	Yes	12	5	12

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25	Pele Julia	Modise Catherine M Segone Sello Segone Jeffrey Sebage Morobane Janice Boipuso Toute Dorothy Makhuduga Mogwe Gift Tunte Marokwane Tebogo Kubatsi Sarah Setlalelwang Lindiwe Mokgatle Tumisang Matsietsa	Yes	12	7	12
26	Sekao Hendrick	Letlape Nkeko Anastantia Molefe Boitumelo Patricia Moruane Mogomotsi Motlhabi Mmama Olga Mothoane Lebogang Joyce Tshailane Zacharia Daniel Moanakwena Basotho Hendrik Masisi Masweu Magdeline	Yes	12	4	12
27	Makgothi Thompson	Chinbano Elizabeth Diatshwana Boikhutso Khumalo Thapelo Hendrick Molane Esslyn Motwasejane Magret Putuka Kealeabetswe Gopolang Daniel Motswadi G.D Moloana R	Yes	12	2	12

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28	Lukhele Rose Mpula	Moutloatse Elizabeth Kelebogile Segakweng Serame Lucas Mogapi Isaac Mathasinyana Matshoba Siphon Roseman Moloko A.N Khoza Deliwe Elizabeth Genu Patricia Thenjiwe Ditsele Annah Tsholofelo Sekete Herman Sizwe	Yes	12	2	12
29	Toto Johannes Moeng	Pheto James.E Ntswetswe John Ramokoti Sesinyi I.B Mogapi Ramonane Ishmael TS Motswakhumo Menzi Mmamotiane Martha Matlou Odisitse April Ntlhabane S.D Jabosigo Keromamang Jonas Bubisi Kagiso Donald	Yes	12	3	12
30	Monnakgotla Chonko Triphosa	Bishop Mothibedi Masilo Rosina Madimi Matshitse Samuel Kgatato Mollo Nthabiseng Mtshali Richard Mphumleni TD Tseladimitlwa Putu David Obakeng Fikile Mpako Ximba Philimon Bongani	Yes	12	5	12

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31	Mpho Monyatsi	Ramahlaphe Matshwenyego Cathrine Mokwena Isaac Kagiso Gouwe Baatseba Cathrine Mangadi Rina Naome Meya Mogomotsi Billy Makgale Khumo Felecia Ruele Neo Mirriam Makete Tsholofelo Maria Molati Tiny R Segabetla Aron	Yes	12	10	12
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VOLUME II

APPENDIX E – WARD INFORMATION

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in 2014/15 (Full List at Appendix O)				
R' 000				
No.	Project Name and detail	Start Date	End Date	Total Value
1	Ground water optimization	22/06/2014	22/12/2014	12000
2	Tussenkoms Ruighoek Bulk line	01/09/2014	01/09/2015	14900
3	Rural Sanitation in All Wards	05/05/2014	29/08/2014	16500
4	Provision of High Mast Lights	05/04/2014	05/07/2014	2000
5	Provision of High Mast light in Vrede	05/04/2014	05/07/2014	2000
6	Mopyane internal roads	03/04/2014	29/08/2014	6000
7	Siga and Masekolane	10/04/2014	10/11/2014	10000
8	Mabodisa internal roads	06/05/2014	06/10/2014	6000

APPENDIX F – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2013/14

Municipal Audit Committee Recommendations		
Dates of Committee Meetings	Committee recommendations during 2014/15	Recommendations adopted (enter Yes) If not adopted (provide explanation)
27-Aug-13 17-Oct-13 11-Nov-13 20-Jan-14 17-Mar-14 13-Jun-14	1. Monitoring and control not sufficient and requires management intervention	Yes
	2. Initiatives are required to further embed Risk Management in the Municipality's processes. This includes further clarifying roles and responsibilities, improving training, developing performance measurements, monitoring compliance with the integrated risk management policy and framework, and consistent application of approach	Yes
	3. More attention to legislative compliance is necessary. Issues such as environment and waste management and occupational health and safety must be addressed	Yes

APPENDIX G: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX G (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
Vote Description	R' 000					
	Year 2013/14	Current: Year 2014/15			Year 2014/15 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 – Municipal Council	118,000					
Vote 3 – Budget and Treasury	323,254,000	221,617,000	226,337,000	376,192,000	70%	40%
Vote 4 – Corporate Services	568,000	920,000	920,000	187,000	-392%	-392%
Vote 5 – Community Services	31,002,000	27,528,000	24,328,000	24,661,000	-12%	1%
Vote 6 – Planning and Development	147,000	84,000	201,000	182,000	54%	-10%
Vote 7 – Infrastructure and Technical	159,533,000	153,206,000	150,841,000	165,822,000	8%	9%
Total Revenue by Vote	514,622,000	403,355,000	402,627,000	567,044,000	0	(0)

APPENDIX H: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant						
Public Transport Infrastructure and Systems Grant						
<i>Other Specify:</i>						
Finance Management Grant	1,550	1,550	1,550	0	0	
Municipal Systems Improvement Grant	890	890	890	0	0	
Water Service Operating Grant	5,300	5,300	5,300	0	0	
Expanded Public Works Programme	2,386	2,386	2,386	0	0	
Library Grant	400	400	400	0	0	
Total	10,526	10,526	10,526			

COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

The Municipality complied with the conditions of the grants that were received by the Municipality. All the grants listed were used for operational purposes.

APPENDIX I: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

APPENDIX I (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme*							
R '000							
Description	2013/14	2014/15			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2015/16	2016/17	2017/18
Capital expenditure by Asset Class							
Infrastructure - Total	118 751	107 991	153 729	105 944	129 445	121 043	110 038
Infrastructure: Road transport - Total	62 321	70 588	71 292	66 046	72 343	31 395	36 000
Roads, Pavements & Bridges	62 321	68 179	64 852	59 569	72 343	31 395	36 000
Storm water		2 409	6 440	6 477			
Infrastructure: Electricity - Total	27 520	18 291	24 615	0	15 980	22 050	10 638
Generation							
Transmission & Reticulation							
Street Lighting	27 520	18 291	24 615		15 980	22 050	10 638
Infrastructure: Water - Total	8 417	7 622	36 153	26 548	22 077	33 944	10 000
Dams & Reservoirs							
Water purification							
Reticulation	8 417	7 622	36 153	26 548	22 077	33 944	10 000
Infrastructure: Sanitation - Total	18 658	4 298	11 089	10 734	13 367	26 654	0
Reticulation	18 658	4 298	11 089	10 734	13 367	26 654	
Sewerage purification							
Infrastructure: Other - Total	1 835	7 192	10 580	2 616	5 678	7 000	53 400
Waste Management	1 835	7 192	10 580	2 616	5 678	7 000	53 400
Transportation							
Gas							
Other							
Community - Total	0	23 578	18 226	16 756	17 027	15 787	35 000
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls		23 578	18 226	16 756	12 027	15 787	35 000
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries					5 000		
Social rental housing							
Other							
Table continued next page							

APPENDIX I (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Capital Expenditure - New Assets Programme*							
R '000							
Description	2013/14	2014/15			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2015/16	2016/17	2017/18
Capital expenditure by Asset Class							
Heritage assets - Total	-	-		-	-	-	-
Buildings							
Other							
Investment properties - Total	-	-		-	-	-	-
Housing development							
Other							
Other assets	46	9	9	1	8	1	2
General vehicles					2 020		
Specialised vehicles							
Plant & equipment					1 220		400
Computers - hardware/equipment					2 400	550	1 000
Furniture and other office equipment		3 617	3 617		2 646	450	600
Abattoirs							
Markets							
Civic Land and Buildings	25 940			834			
Other Buildings	20 000	5 000	5 000				
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
Agricultural assets	-	-		-	-	-	-
List sub-class							
Biological assets	-	-		-	-	-	-
List sub-class							
Intangibles	-	-		-	-	-	-
Computers - software & programming							
Other (list sub-class)							
Total Capital Expenditure on new assets	165	140	181	124	155	138	147
Specialised vehicles	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

Capital Expenditure - Upgrade/Renewal Programme*							
R '000							
Description	2013/14	2014/15			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2015/16	2016/17	2017/18
Capital expenditure by Asset Class							
Infrastructure - Total	-	0		-	-	-	-
Infrastructure: Road transport - Total	-	-		-	-	-	-
Roads, Pavements & Bridges							
Storm water							
Infrastructure: Electricity - Total	-	-		-	-	-	-
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure: Water - Total	-	0		-	-	-	-
Dams & Reservoirs							
Water purification							
Reticulation		7	3				
Infrastructure: Sanitation - Total	-	-		-	-	-	-
Reticulation							
Sewerage purification							
Infrastructure: Other - Total	-	-		-	-	-	-
Waste Management							
Transportation							
Gas							
Other							
Community	-	-		-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
Heritage assets	-	-		-	-	-	-
Buildings							
Other							

Capital Expenditure - Upgrade/Renewal Programme*							
							R '000
Description	2013/14	2014/15			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2015/16	2016/17	2017/18
Capital expenditure by Asset Class							
Investment properties	-	-		-	-	-	-
Housing development							
Other							
Other assets	19	44	37	45	-	-	-
General vehicles	1 283	34	26	16 455			
Specialised vehicles							
Plant & equipment	1 911	3	2	214			
Computers - hardware/equipment		7	9	24 543			
Furniture and other office equipment	16 162			3 896			
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
Agricultural assets	-	0		-	-	-	-
List sub-class							
Biological assets	-	-		-	-	-	-
List sub-class							
Intangibles	-	-		-	-	-	-
Computers - software & programming							
Other (list sub-class)							
Total Capital Expenditure on renewal of existing assets	19	44	37	45	-	-	-
Specialised vehicles	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

APPENDIX J – CAPITAL PROGRAMME BY PROJECT BY WARD 2014/15

Capital Programme by Project by Ward: Year 2014/2015		
Capital Project	Ward(s) affected	R' 000 Works completed (Yes/No)
Water		
Ground Water Optimization		NO
Tussenkoms/Ruighoek Bulk Water		NO
Sanitation/Sewerage		
Rural Sanitation Programme - Phase III	Ward 2, Ward 3, Ward 7	NO
Electricity		
Vrede/Seshibitswe High Mast Lights	Ward 21	NO
Phase II - Provision of High Mast lights for Bojating, Ga-Ramokoka, Mmorogong and Phadi	Ward 27, Ward 11, Ward 10	NO
Housing		
Mogwase unit 8	Ward 15	YES
Mtau , Moubana and Siga	Ward 3	YES
Mabaalstad	Ward 25	NO
Saulspoort	Ward 8,17,15, 16,31,22,9, 10	NO
Community Facilities		
Construction of community halls in Kameelboom,Sefikile Ext 8,Molatedi & Tlhatlhaganyane	Ward 27, Ward 1, Ward 6 and Ward 7	NO
Refuse removal		
Roads		
Mmopyane Internal Roads	Ward 5	NO
Lesetlheng/Legkraal Internal Roads	Ward 8	NO
Mabodisa Internal Roads		NO
Stormwater		
Sandfontein Sandfontein	Ward 10	NO
Loss My Tjerry Northern Regional Stormwater	Ward 1	NO

